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CFR PARTS AFFECTED IN THIS ISSUE

A cumulative list of the parts affected this month can be found in the Reader Aids section at the end of this issue.

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Presidential Documents

Title 3—

The President

Executive Order 12618 of December 22, 1987

Uniform Treatment of Federally Funded Inventions

By the authority vested in me as President by the Constitution and laws of the United States of America, and having concluded that the ability of the United States to achieve the statutorily prescribed policy (35 U.S.C. 200) of using the patent system to promote the utilization of inventions arising from federally supported research or development requires that Federal agencies follow uniform policies in administering patents and licenses conceived or first reduced to practice during the course of federally funded research, Executive Order No. 12591 of April 10, 1987, is amended by redesignating Sections 1(b)(5) and (6) as 1(b)(6) and (7), respectively, and by adding a new Section 1(b)(5) as follows:

"(5) administer all patents and licenses to inventions made with federal assistance, which are owned by the non-profit contractor or grantee, in accordance with Section 202(c)(7) of Title 35 of the United States Code as amended by Public Law 98–620, without regard to limitations on licensing found in that section prior to amendment or in Institutional Patent Agreements now in effect that were entered into before that law was enacted on November 8, 1984, unless, in the case of an invention that has not been marketed, the funding agency determines, based on information in its files, that the contractor or grantee has not taken adequate steps to market the inventions, in accordance with applicable law or an Institutional Patent Agreement;".

Ronald Reagan

THE WHITE HOUSE,
December 22, 1987.

[FR Doc. 87-29694
Filed 12-23-87; 10:32 am]
Billing code 3195-01-M

Presidential Documents

Executive Order 12619 of December 22, 1987

Half-day Closing of Government Departments and Agencies on Thursday, December 24, 1987

By the authority vested in me as President by the Constitution and laws of the United States of America, it is hereby ordered:

Section 1. All Executive departments and agencies of the Federal Government shall be closed and their employees excused from duty for the last half of the scheduled workday on Christmas Eve, December 24, 1987, except as provided in Section 2 below.

Sec. 2. The heads of Executive departments and agencies may determine that certain offices and installations of their organizations, or parts thereof, must remain open and that certain employees must remain on duty for the full scheduled workday on December 24, 1987, for reasons of national security or defense or for other essential public reasons.

Sec. 3. Thursday, December 24, 1987, shall be considered as falling within the scope of Executive Order No. 11582 and of 5 U.S.C. 5546 and 6103(b) and other similar statutes insofar as they relate to the pay and leave of employees of the United States.

Sec. 4. This Order shall apply to Federal departments and agencies only and is not intended to direct or otherwise implicate departments or agencies of State or local governments.

Ronald Reagan

THE WHITE HOUSE,
December 22, 1987.

[FR Doc. 87-29695
Filed 12-23-87; 10:33 am]
Billing code 3195-01-M

Rules and Regulations

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FEDERAL RESERVE SYSTEM

12 CFR Part 226

[Reg. Z; Docket No. R-0545]

Truth in Lending; Variable-Rate Disclosure Under Regulation Z

AGENCY: Board of Governors of the Federal Reserve System.

ACTION: Final rule.

SUMMARY: The Board is publishing a final rule amending Regulation Z (Truth in Lending) to require creditors to provide more information about the variable-rate feature of closed-end adjustable-rate mortgages than is currently required under Regulation Z. The amendments require creditors to distribute to consumers an educational booklet about adjustable-rate mortgages, and to provide a more detailed description of the variable-rate feature, along with an historical example. The information must be provided at the time an application form is given to the consumer or before the consumer pays a non-refundable fee, whichever is earlier. These revisions are intended to address concerns regarding the adequacy of information given to consumers applying for adjustable-rate mortgages and regarding the creditor burden of duplicative federal regulations.

EFFECTIVE DATE: December 28, 1987, but optional compliance until October 1, 1988.

FOR FURTHER INFORMATION:
Contact Michael S. Bylsma, Senior Attorney, or Sharon T. Bowman or Thomas J. Noto, Staff Attorneys, Division of Consumer and Community Affairs, Board of Governors of the Federal Reserve System, Washington, DC, 20551, (202) 452-3667 or (202) 452-2412. For the hearing impaired *only*, Telecommunications Device for the Deaf (TDD), Earnestine Hill or Dorothea Thompson, at (202) 452-3544.

SUPPLEMENTARY INFORMATION:

Background

For some time the Board has been working with the other federal financial regulatory agencies to develop a uniform set of disclosures for adjustable-rate mortgages (ARMs). This effort arose because of concern about the different disclosure requirements imposed by the various federal agencies. Currently, four federal agencies require that lenders subject to their regulations provide specific disclosures about ARMs to borrowers. Under Regulation Z, the Board requires that a variable-rate feature be described briefly to consumers. In contrast to Regulation Z, the regulations of two other federal financial agencies and the Department of Housing and Urban Development (HUD) call for more extensive, detailed information. The Federal Home Loan Bank Board (FHLBB) requires variable-rate disclosures for federally-chartered savings and loan associations and also for certain other lenders that wish to market their loans to federally-chartered savings and loans (12 CFR 545.33). The Office of the Comptroller of the Currency (OCC) mandates variable-rate disclosures for national banks and other lenders that seek to market their loans to national banks (12 CFR Part 29). Under the "Alternative Mortgage Transaction Parity Act of 1982" (12 U.S.C. 3802), state-chartered institutions and other mortgage lenders may take advantage of federal authorization of ARMs by following the rules of the FHLBB or the OCC. Finally, HUD prescribes disclosures for lenders wishing to participate in the Federal Housing Administration (FHA) insurance program (24 CFR Parts 203 and 234).

The federal financial agencies believe that this regulatory structure, which requires different disclosures by different lenders delivered at different times, is causing problems for both consumers and mortgage lenders. The ability of consumers to understand and make important decisions about ARMs before entering into these transactions may be hampered by their receipt of different information about ARM programs depending on what type of lender they have approached. This problem is exacerbated by the variety of ARM products now being offered as well as the complexity of some of these programs. At the same time, these regulatory requirements have proven burdensome to the mortgage industry, particularly when mortgage lenders must satisfy more than one regulation in order to take full advantage of the secondary market. Under certain circumstances, lenders who wish to originate mortgages for possible sale to either a federal savings and loan association or to a national bank may have to make disclosures under two agencies' rules.

Revisions to federal ARM disclosure requirements were initially requested by members of Congress in a letter to the Board in August 1984. The request called for uniform federal requirements for disclosures that include a "worst-case" statement of the highest interest rate and payment that might apply to an ARM. The Board asked the Federal Financial Institutions Examination Council (FFIEC) to assist in developing a recommendation for uniform requirements for the federal agencies with ARM disclosure regulations. After extensive deliberations by an FFIEC task force, the FFIEC made an initial recommendation to the Board in November 1984. As outlined by the FFIEC, the required disclosures would be specific to each consumer's transaction and include a "worst-case" payment example based on hypothetical index rate increases of two percentage points per year for three years. Based on these recommendations, the Board proposed amendments to Regulation Z on May 15, 1985 (50 FR 20221). Many of the Board's 500 public comments on the 1985 proposal objected to both the potential burden on creditors of requiring transaction-specific disclosures and to the assumptions about index rate movement.

For more than a year following the Board's proposal of the initial disclosure scheme, the FFIEC considered alternative plans for uniform ARM disclosures. In August 1986, the FFIEC approved a proposal requiring that creditors provide two types of disclosures to consumers seeking information about ARMs: (1) The *Consumer Handbook on Adjustable Rate Mortgages*, or a suitable substitute, and (2) disclosures that fully describe each of the creditor's ARM programs, with a 15-year historical example of how

changes in the index or formula values used to compute interest rates would have affected interest rates and payments on a $10,000 loan. In addition, the maximum interest rate and payment that could result under the program for the $10,000 loan would be disclosed.

Based on the recommendations by the FFIEC and its own analysis, the Board on November 24, 1986, again proposed to amend Regulation Z (51 FR 42241). On February 5, 1987, the FHLBB proposed amendments to its ARM disclosure regulations which would require disclosures identical to what the Board proposed (52 FR 3665). The FHLBB regulation, as proposed, would cover all loans secured by borrower-occupied property (including open-end equity lines of credit.) Finally, on October 2, 1987, the OCC proposed to delete its ARM disclosure regulation and to defer to revised Regulation Z disclosure requirements (52 FR 36953).

A total of 135 comments were received during the 60-day period for public comments on the Board's proposal. Generally, commenters supported the concept of uniformity in federal ARM disclosure regulations. Most commenters also endorsed the proposal to require disclosures based on the features of the loan program but not specific to an individual consumer's actual loan amount. On the other hand, about one-fifth of the commenters expressed general opposition to the proposal. These commenters questioned the need for expanded disclosure requirements under Regulation Z and stated that the disclosures would be more costly to prepare and to distribute than the existing disclosures. Many commenters also maintained that the coverage of the proposal was too broad. For example, it was asserted that compliance with the proposed advance notice of interest rate adjustments would be difficult with certain short-term loans such as bridge loans. It was also argued that the 15-year index history would not be meaningful to consumers considering short-term loans, and that the disclosures would be difficult to prepare for loans that are custom-tailored to an individual consumer's needs. Many commenters suggested limiting coverage of the amendments to purchase-money and refinancing transactions which are variable-rate and secured by the consumer's principal dwelling. On the other hand, several commenters supported the coverage of the proposal. Some commenters argued that the proposed disclosures should also be required for open-end home equity lines. These commenters noted that home equity plans have become more prevalent since the Tax Reform Act of 1986 and impose great risks to consumers whose homes are burdened with such indebtedness. Other commenters requested that creditors be allowed to substitute the expanded disclosures for the existing Regulation Z ARM disclosures for all variable-rate transactions, whether or not secured by the consumer's principal dwelling.

Many commenters favored the requirement of an example showing how the payments and loan balance of a $10,000 loan would have been affected by historical changes in the index for a 15-year period. Other commenters questioned the usefulness of the historical information and argued that the recent interest rate fluctuations would not be repeated in the future. Commenters also maintained that the historical example would be burdensome to prepare. Some commenters recommended a shorter example or even one based on hypothetical index rate increases over a short period. Some commenters, particularly members of the thrift industry, reversed their previously stated opposition to an example based on hypothetical rate increases and recommended that form of example as a substitute for the historical example.

Many commenters supported the requirement that the maximum interest rate and payment be stated. These commenters argued that the statement would be a useful supplement to the historical example which might not reflect a potential worst-case for the loan in the future. HUD recommended that the maximum payment be stated as a schedule of payment increases showing the initial and maximum payments to correspond to its statutory disclosure requirements. Other commenters stated that the information might portray ARMs in a highly negative light. A few of these commenters requested that the dicslosure show the lowest rate and payment possible under the program.

Finally, several commenters addressed the proposed requirement for advance notice of interest rate and payment adjustments. The primary criticism was that the advance notice was required at least 30 days before the effective date of an interest rate adjustment and not before a payment at the new level is due, as is currently required by the OCC. The commenters stated that this proposed requirement would cause problems for lenders offering short-term ARMs that closely track changes in the index values. Some commenters recommended reducing the number of days before an adjustment that notice is required and clarifying that notice should be given before a payment at a new level is due.

After considering all of the comments, the Board has made changes in the final amendments designed to alleviate the burden of compliance without compromising the amount or detail of information recommended by the FFIEC to be disclosed to consumers. For example, in response to the comments, the Board has made a minor change to the coverage of the amendments, a modification of the requirement for a statement of the maximum interest rate and payment, and a change to the timing of the adjustment notice requirements, as explained below. Generally, the Board has not adopted the other changes suggested by commenters which would substantially alter the uniform disclosure provisions developed by the FFIEC.

Amendments to Regualtion Z

Based on recommendations from the FIEC, the Board is adopting amendments to Regulation Z to provide more information to consumers about adjustable-rate mortgages. These amendments will require a handbook to be distributed to consumers, as well as detailed disclosures about a creditor's ARM loan programs. The new ARM disclosure requirements have been added to the regulation at § 226.19(b) and § 226.18(f)(2) while new subsequent disclosure requirements for ARMs have been added at § 226.20(c).

The amendments apply to closed-end credit transactions secured by the consumer's principal dwelling. This coverage includes purchase-money mortgages, in which the consumer is obtaining a mortage loan for the purpose of purchasing a home, as well as transactions in which the consumer is using the home as security for a loan. In response to comments received about potential compliance problems for short-term loans, an exemption from the new disclosure requirements has been provided for transactions secured by the consumer's principal dwelling with a term of one year or less. These loans will continue to be covered by the existing disclosure requirements of § 226.18(f)(1) of Regulation Z.

Footnote 43 will allow creditors to substitute the new disclosures for any loan subject to the existing requirements of § 226.18(f)(1) of the regulation. This will allow creditors to treat all variable-rate transactions the same without having to provide different disclosures depending on whether the loan is secured by a consumer's principal

dwelling. Creditors who substitute the disclosures under § 226.19(b) for the disclosures ordinarily required under § 226.18(f)(1) also must comply with the requirements under § 226.18(f)(2), although they need not comply with the requirements under § 226.20(c). The footnote does not permit substitution of disclosures required under § 226.18(f)(1) in transactions subject to § 226.19(b). (Home equity lines, in which an open-end line of credit is secured by the consumer's home, are not subject to the new requirements, which apply only to closed-end mortgages.) All other consumer credit transactions that contain a variable-rate feature would continue to be subject to the existing variable-rate disclosure requirements in Regulation Z.

As recommended by the FFIEC, the amendments will require that ARM disclosures, including both the ARM brochure and the other detailed ARM information, be provided to prospective borrowers when an application form is furnished or before the payment of a non-refundable fee, whichever is earlier. This rule will permit creditors to provide the detailed disclosures to consumers as an insert to the ARM brochure when it is given. Disclosure at this point in time is possible under the amendments because the new rule would require that disclosures reflect ARM loan program features, but not the terms of individual transactions. Footnote 45b provides a special timing rule (replacing the general timing rule) for cases where an ARM application reaches a creditor by telephone, or by way of an intermediary agent or broker. In both such cases, both the ARM brochure and the other detailed ARM information must be placed in the mail or delivered not later than three business days after the creditor receives the consumer's application. The proposed special timing rule for intermediary agents or brokers has been expanded to cover telephone applications in response to comments discussing potential compliance problems with the requirement of pre-application disclosures for transactions in which the application is made by telephone.

Under the new timing rule, the new variable-rate disclosures will be given to consumers earlier than the standard Truth in Lending information required by § 226.18. A sentence has been added to § 226.17(b) to cross-reference the early timing requirements for ARMs. In addition, a new paragraph (f)(2) has been added to § 226.18 to require that the later Truth in Lending disclosures be revised to include a statement that an adjustable-rate feature exists and that the variable-rate disclosures have been provided to the consumer.

A new paragraph (b)(1) requiring a descriptive ARM brochure has been added to § 226.19. The paragraph requires that creditors give each consumer a brochure when an application form is given to a consumer or before a consumer pays a non-refundable fee, whichever is earlier. The rule ensure that every consumer considering applying for an ARM will receive a brochure at an early stage in the application process. The *Consumer Handbook on Adjustable Rate Mortgages*, developed by the Board and the FHLBB, may be used by creditors to fulfill this requirement if they choose. The amendments would also permit creditors to provide a "suitable substitute" in place of the *Consumer Handbook*. Rather than the Board's evaluating whether an individual creditor's ARM brochure is a "suitable substitute," individual creditors should make a good faith determination of whether a brochure is, in fact, a suitable substitute. The Board envisions that substitutes must be, at a minimum, comparable to the *Consumer Handbook* in substance and comprehensiveness, recognizing that some lenders' brochures may contain more detailed descriptions of their particular ARM programs than contained in the *Consumer Handbook*.

The *Consumer Handbook* has been reprinted for resale by private publications companies, and by various trade organizations such as the American Bankers Association, the Mortgage Bankers Association, the National Council of Savings Institutions and the U.S. League of Savings Institutions.

Amendments also have been made in § 226.19(b)(2). They required that detailed, specific information about major aspects of a variable-rate loan program be clearly disclosed to consumers. To illustrate the requirements, sample form H–14 in Appendix H of the regulation has been revised, and model clauses have been included in a revision to Appendix H–4.

Under the amendments, creditors will be required to identify the index to which interest rate changes are tied, or provide a brief description of the formula used in calculating changes if no index is used. If the interest rate changes are purely discretionary or are made by an internally defined index, the creditor will still need to describe the method of rate changes or state that they are discretionary. A source of information about an index also must be disclosed. For example, if index values are listed in the *Wall Street Journal*, creditors could make such a statement in disclosing a source of information about their index. The amendments call for an explanation of how the interest rate and payment will be determined, for example, by a statement that the interest rate will be based on a specified index plus a margin and that the payment will be based on the interest rate, the loan balance, and the remaining loan term. Furthermore, creditors will be required to include a statement suggesting that consumers ask for the current margin value and interest rate. The disclosures also will alert consumers about a discount feature when the initial rate is discounted and will contain a statement suggesting that consumers ask for the amount of the applicable interest rate discount. In addition, the frequency of rate and payment adjustments will be disclosed, along with rate and payment caps.

If the presence of rate or payment caps would result in interest rate carryover or negative amortization, the disclosure statement would need to contain a statement about those features. Two other disclosures must be made: the fact that a loan program contains a demand feature, if applicable, and a statement describing the type of information that will be contained in an adjustment notice and when each notice will be provided. Finally, creditors will be required to include a notice to consumers that disclosure forms are available for the creditor's other ARM loan programs if the creditor has other closed-end ARM programs subject to the amendments.

One significant feature of the amendments is the requirement of an example, based on a $10,000 loan, illustrating how payments and the loan balance would have been affected by historical changes in the index to be used. Because the example will not be based on the actual amount to be borrowed, creditors will be able to pre-print the disclosures for each loan program and give them to consumers with an ARM handbook. The provision that the example be based on the historical performance of individual indices, rather than on assumed rate increases, reflects the revised recommendation of the FFIEC. Creditors also will be required to include a statement on the disclosure form explaining to consumers how to calculate their actual monthly payment amount for a loan amount other than $10,000. The example based on $10,000 also reflects the recommendation of the FFIEC, and is premised, in part, on the rationale that figures based on a $10,000

example provide information that consumers can use with minimal difficulty to calculate their actual monthly payments for a specific transaction. The amendments require that the example shown be based on the history of the specific index or formula to be used in the loan program. The index values used in the example will begin with the value for 1977 and be updated annually to add the values for additional years until a 15-year history is shown. For example, the disclosures for an ARM made in 1988 would include index values for each year from 1977 through 1987. In each subsequent year until 1991, a creditor's disclosures will include the index value for one more year. From that time forward, lenders will show a "rolling" history of index values, updated annually, for the preceding 15 years.

If the values for an index have not been available back to 1977, creditors need only go back as far as the values have been available in giving the history and may start the example at the year in which values are available. The history should reflect the method of choosing values for each program. For instance, if an average of index values is used, averages would be used in the history, but if a single index value is used, a single index value would be shown. The creditor should assume one date within a year (or one period, if an average is used) on which to base the history of index values for each loan program. The creditor may choose to use index values as of any date or period as long as the index value as of this date or period is used for each year in the index history. Only one index value per year need be shown, even if the program provides for adjustments to the interest rate or payment more than once in a year. In such cases, the creditor may assume that the index rate remained constant for the full year for the purpose of calculating the interest rate, payment, and loan balance. Updating will be necessary only once each year to reflect the most recent year's index value. New disclosures would be required when an ARM program changes. (To assist creditors in constructing histories of certain common indices, the Board has included tables of index values in section 3 below.)

The payment and outstanding loan balance figures in the example must reflect all significant loan program terms. For example, features such as rate and payment caps, a discounted interest rate, negative amortization, and interest carryover need to be taken into account by creditors in calculating the payment and outstanding balance figures. Because disclosures will be given early, creditors will need to assume a value for the margin in order to do the calculations for the example. Creditors may select a margin that they have used during the preceding six months and disclose on the form that the margin is one that they have used recently. The margin selected may be used until a creditor updates the disclosure form to reflect the most recent 15 years of index values. Similarly, to the extent that the ARM program has a discounted initial rate, creditors also will be permitted to assume an amount by which the initial rate will be discounted—which is representative of the amount of discounts by the creditor during the preceding six months—and disclose on the form that the initial rate has been discounted to the extent of other discounts offered by the creditor recently. The provision for a representative discount was added to respond to the concerns expressed by creditors about the need for individual program disclosure forms to reflect the amount of every discount offered by the creditor—amounts which could fluctuate daily depending upon market conditions.

The amendments also require disclosure of the maximum interest rate and payment. These disclosures would be calculated based on a $10,000 loan that is originated at the most recent interest rate shown in the historical example, and would assume that the interest rate then increases as rapidly as possible under the program. Thus, in a loan with interest rate limitations, or "caps," of 2 percentage points per year, and 5 percentage points for the life of the loan, the maximum interest rate would be 5 percentage points higher than the most recent rate shown in the historical example. Furthermore, the loan would not reach the maximum interest rate increase until the fourth year of the loan because of the 2 percentage points annual limitation. Consequently, the maximum payment disclosed would reflect the amortization of the loan during that period. Finally, to enable FHA lenders to follow the new requirements, this provision has been modified also to require a statement of the initial interest rate and payment for that loan. The Board believes that this requirement will also benefit consumers by providing a point of reference for evaluating the stated maximum levels for an ARM.

The final amendments do not contain the proposed requirement that ARMs without limitations on the maximum increases in the interest and payment contain a "conspicuous" statement to that effect. That provision is no longer necessary in light of section 1204 of the Competitive Equality Banking Act of 1987, Pub. L. No. 100-86, section 1204, and the recent amendment to Regulation Z, which require that all dwelling-secured ARM loans contain the maximum interest rate that may apply during the loan term.

As mentioned earlier, the ARM disclosures given before application will describe the type of information that will be provided in notices of adjustments and the timing for such notices. A paragraph also has been added as § 226.20(c) to require a subsequent disclosure form. The new section will apply, except as provided in footnote 43, to all ARMs that have been disclosed in accordance with the new § 226.19(b) requirements. Regulation Z does not currently require a subsequent disclosure of rate and payment changes, although the existing OCC, FHLBB, and HUD regulations already require it. The new paragraph requires notice of the adjusted payment amount, interest rate, index rate, and loan balance. The creditor also will be required to disclose the extent to which any increase in the interest rate has not been fully implemented at the adjustment date (for example, if the new index plus margin would exceed an interest rate adjustment cap), and the payment that would be required to fully amortize a loan (if different from the payment already disclosed). In transactions providing that payment adjustments may accompany interest rate adjustments, creditors would be required to send borrowers notice at least 25, but not more than 120, days before the due date of a payment at the new level. The final amendment differs from the proposal which called for a notice at least 30 days before the effective date of each scheduled interest rate adjustment. The minimum advance notice was revised to 25 days to track the existing notice requirements of the OCC and to provide creditors more flexibility in giving adjustment notices for the variety of loans that will be subject to the new subsequent disclosure requirements. At the same time, the Board believes that the timing of the disclosures still will provide consumers with adequate advance notice of adjusted payment amounts. The timing requirement was clarified to refer to calendar days and a requirement that the disclosures must be delivered or placed in the mail within the specified period was added for consistency with the requirements for delivery of other disclosures, such as when an application is made by

telephone or through an intermediary agent or broker. Finally, the timing provision was tied to the due date of the payment at a new level rather than to the effective date of the interest rate adjustment. Notice is required to be given whenever interest rate adjustments and corresponding payment adjustments can be made periodically under the loan agreement but are not made because, for example, the index values have not changed or an interest rate cap has prevented any such adjustments. However, creditors are required to send borrowers notice only once each year if interest rate adjustments are made without a corresponding payment adjustment. Thus, for example, in transactions where the interest rate may be adjusted more frequently than the payment, the creditor would be required to send at least one notice each year during which there have been interest rate adjustments but no corresponding payment adjustments.

Finally, footnote 43 to Regulation Z has been retained and renumbered footnote 45a. Retention of the footnote will permit creditors who are required to comply with variable-rate disclosure regulations of other federal agencies to substitute those disclosures for the disclosures required under these amendments. Because the FHLBB likely will adopt disclosure requirements identical in substance to the final amendments to Regulation Z, certain creditors will be permitted to give the uniform ARM disclosures under FHLBB rules without being required to make identical disclosures under Regulation Z. (As proposed, the FHLBB regulations would also require certain other disclosures applicable to the ARM relating to due-on-sale clauses, rate changes and prepayment penalties, escrow payments, call provisions, and conditions of default. Because the FHLBB proposal would permit FHLBB-regulated institutions to purchase from other unaffiliated lenders ARMs for which only the uniform disclosures have been made, the secondary market should not be affected by the FHLBB's retention of these additional disclosures.) The footnote will also benefit lenders originating ARMs insured by the Federal Housing Administration, which has not yet adopted the uniform requirements. Furthermore, FHA lenders may continue to take advantage of the footnote at the time HUD amends its ARM disclosure requirements to adopt the uniform requirements.

Creditors also will be permitted to utilize the subsequent disclosure requirements of other federal agencies in place of the subsequent disclosure requirements of § 226.20(c). The FHLBB likely will adopt subsequent disclosure requirements identical to those required under § 226.20(c). A new footnote 45c has been added to permit this substitution. Changes have also been made to Appendix H by redesignating model clause H-4 as H-4(A); adding model clauses H-4(B), H-4(C) and H-4(D), and substituting sample form H-14 with a new form. (The official staff commentary interpreting these regulatory changes is being published for comment in this issue of the **Federal Register**.)

Tables of Certain Index Values

To assist creditors in constructing histories of various indices used in their ARM programs, the Board has prepared tables of values for common indices for the years 1977–1987. Table 1 provides the values for United States Treasury securities adjusted to constant maturities of 1, 3, and 5 years. Weekly average values are provided as of the first week ending in January and in July. Table 2 provides the January and July monthly average values for three other indices—the Cost of Funds Ratio to 11th Federal Home Loan Bank District Institutions, the National Average Contract Interest Rate for Major Lenders on the Purchase of Previously Occupied Homes, and the National Monthly Median Cost of Funds Ratio to FSLIC-Insured Institutions. It also includes the semiannual and quarterly average values for the National Average Cost of Funds Ratio to FSLIC-Insured Institutions. Years in which index values were not available are marked "n.a." (Creditors need not use these tables in constructing their index histories. Furthermore, the dates used in these tables were selected merely to provide index values at two or more points within each year. Creditors may choose to use the applicable index values in these tables even if index values as of another date are used in their ARM program.)

TABLE 1.—CONSTANT MATURITY YIELD ON UNITED STATES TREASURY SECURITIES

Year	Average for first week ending in January (percent)			Average for first week ending in July (percent)		
	1 Year	3 Year	5 Year	1 Year	3 Year	5 Year
1977	5.02	5.83	6.24	5.72	6.32	6.68
1978	7.03	7.40	7.59	8.34	8.51	8.50
1979	10.51	9.58	9.30	9.44	8.78	8.73
1980	12.02	10.75	10.52	8.51	9.15	9.47
1981	13.86	12.81	12.54	14.94	14.58	14.28
1982	13.68	14.09	14.04	14.41	14.81	14.73
1983	8.62	9.65	10.04	9.78	10.47	10.80
1984	10.02	11.04	11.50	12.17	13.38	13.67
1985	9.19	10.58	11.16	7.66	8.98	9.53
1986	7.63	8.25	8.50	6.36	6.99	7.21
1987	5.97	6.54	6.79	6.71	7.72	7.96

TABLE 2.—MISCELLANEOUS ARM INDICES

Year	January (percent)	July (percent)
A. Average Cost of Funds Ratio to 11th FHLB District Institutions		
1977	n.a.	n.a.
1978	n.a.	n.a.
1979	n.a.	n.a.
1980	8.76	9.67
1981	10.45	11.85
1982	11.95	12.23

TABLE 2.—MISCELLANEOUS ARM INDICES—Continued

Year	January (percent)	July (percent)
1983	10.46	9.68
1984	10.03	10.71
1985	10.22	9.37
1986	8.77	8.20
1987	7.40	7.28

TABLE 2.—MISCELLANEOUS ARM INDICES—Continued

Year	January (percent)	July (percent)
B. National Average Contract Interest Rate For Major Lenders on the Purchase of Previously Occupied Homes		
1977	8.84	8.83
1978	8.95	9.41
1979	10.08	10.67
1980	11.78	12.23
1981	13.24	14.77

TABLE 2.—MISCELLANEOUS ARM INDICES—Continued

Year	January (percent)	July (percent)
1982	15.37	14.96
1983	13.04	12.18
1984	11.70	12.03
1985	12.09	11.02
1986	10 40	9.88
1987	9 19	9 05

TABLE 2.—MISCELLANEOUS ARM INDICES—Continued

Year	January (percent)	July (percent)
C. National Monthly Median Cost of Funds Ratio to FSLIC-Insured Institutions		
1977	n.a.	n.a.
1978	n.a.	n.a.
1979	n.a.	7.44
1980	8.09	9.18

TABLE 2.—MISCELLANEOUS ARM INDICES—Continued

Year	January (percent)	July (percent)
1981	9.50	10.92
1982	11.44	11.54
1983	10.14	9.65
1984	9.89	9.90
1985	9.75	8.87
1986	8.50	7.94
1987	7.22	6.96

Year	Quarterly Period				Semiannual Period	
	January—March	April—June	July—September	October—December	January—June	July—December
D. National Average Cost of Funds Ratio to FSLIC-Insured Institutions (percent)						
1977	n.a.	n.a.	n.a.	n.a.	6.39	6.48
1978	n.a.	n.a.	n.a.	n.a.	6.54	6.79
1979	n.a.	n.a.	n.a.	n.a.	7.23	7.71
1980	n.a.	n.a.	n.a.	n.a.	8.77	9.11
1981	n.a.	n.a.	n.a.	n.a.	10.31	11.53
1982	n.a.	n.a.	n.a.	n.a.	11.49	11.27
1983	n.a.	n.a.	n.a.	n.a.	9.81	9.84
1984	9.74	9.80	10.27	10.31	9.77	10.29
1985	9.58	9.35	9.04	8.79	9.47	8.92
1986	8.49	8.21	7.99	7.53	8.35	7.76
1987	7.11	7.06			7.09	

Economic Impact Statement

The Board's Division of Research and Statistics has prepared an economic impact statement on the proposed revisions to Regulation Z. A copy of the analysis may be obtained from Publications Services, Board of Governors of the Federal Reserve System, Washington, DC. 20551, at (202) 452-3245.

List of Subjects in 12 CFR Part 226

Advertising, Banks, banking, Consumer protection, Credit, Federal Reserve System, Finance, Penalties, Rate limitations, Truth in lending.

For reasons set out in this notice, and pursuant to the Board's authority under section 105 of the Truth in Lending Act (15 U.S.C. 1604 as amended), the Board amends Part 226 as follows:

PART 226—TRUTH IN LENDING

1. The authority citation for Part 226 continues to read as follows:

Authority: Sec. 105, Truth in Lending Act, as amended by sec. 605, Pub. L. 96-221, 94 Stat. 170 (15 U.S.C. 1604 *et seq.*); sec. 1204(c), Competitive Equality Banking Act, Pub. L. 100-86, 101 Stat. 552.

2. Section 226.17 is amended by revising paragraph (b) to read as follows:

§ 226.17 General disclosure requirements.

* * * * *

(b) *Time of disclosures.* The creditor shall make disclosures before consummation of the transaction. In certain residential mortgage transactions, special timing requirements are set forth in § 226.19(a). In certain variable-rate transactions, special timing requirements for variable-rate disclosures are set forth in § 226.19(b) and § 226.20(c). In certain transactions involving mail or telephone orders or a series of sales, the timing of disclosures may be delayed in accordance with paragraphs (g) and (h) of this section.

* * * * *

3. Section 226.18 is amended by revising footnote 43 and paragraph (f) to read as follows:

§ 226.18 Content of disclosures.

* * * * *

(f) *Variable rate.* (1) If the annual percentage rate may increase after consummation in a transaction not secured by the consumer's principal dwelling or in a transaction secured by the consumer's principal dwelling with a term of one year or less, the following disclosures: [43]

(i) The circumstances under which the rate may increase.

(ii) Any limitations on the increase

(iii) The effect of an increase.

(iv) An example of the payment terms that would result from an increase.

[43] Information provided in accordance with §§ 226.18(f)(2) and 226.19(b) may be substituted for the disclosures required by paragraph (f)(1) of this section.

(2) If the annual percentage rate may increase after consummation in a transaction secured by the consumer's principal dwelling with a term greater than one year, the following disclosures:

(i) The fact that the transaction contains a variable-rate feature.

(ii) A statement that variable-rate disclosures have been provided earlier.

* * * * *

§ 226.22 [Amended]

4. Section 226.22 is amended by redesignating footnote 45a as 45d.

5. Section 226.19 is revised to read as follows:

§ 226.19 Certain residential mortgage and variable-rate transactions.

(a) *Residential mortgage transactions subject to RESPA.*—(1) *Time of disclosures.* In a residential mortgage transaction subject to the Real Estate Settlement Procedures Act (12 U.S.C. 2601 *et seq.*) the creditor shall make good faith estimates of the disclosures required by § 226.18 before consummation, or shall deliver or place them in the mail not later than three business days after the creditor receives the consumer's written application, whichever is earlier.

(2) *Redisclosure required.* If the annual percentage rate in the consummated transaction varies from the annual percentage rate disclosed under § 226.18(e) by more than ⅛ of 1 percentage point in a regular transaction or more than ¼ of 1 percentage point in

an irregular transaction, as defined in § 226.22, the creditor shall disclose the changed terms no later than consummation or settlement.

(b) *Certain variable-rate transactions.*[45a] If the annual percentage rate may increase after consummation in a transaction secured by the consumer's principal dwelling with a term greater than one year, the following disclosures must be provided at the time an application form is provided or before the consumer pays a non-refundable fee, whichever is earlier:[45b]

(1) The booklet titled *Consumer Handbook on Adjustable Rate Mortgages* published by the Board and the Federal Home Loan Bank Board, or a suitable substitute.

(2) A loan program disclosure for each variable-rate program in which the consumer expresses an interest. The following disclosures, as applicable, shall be provided:

(i) The fact that the interest rate, payment, or term of the loan can change.

(ii) The index or formula used in making adjustments, and a source of information about the index or formula.

(iii) An explanation of how the interest rate and payment will be determined, including an explanation of how the index is adjusted, such as by the addition of a margin.

(iv) A statement that the consumer should ask about the current margin value and current interest rate.

(v) The fact that the interest rate will be discounted, and a statement that the consumer should ask about the amount of the interest rate discount.

(vi) The frequency of interest rate and payment changes.

(vii) Any rules relating to changes in the index, interest rate, payment amount, and outstanding loan balance including, for example, an explanation of interest rate or payment limitations, negative amortization, and interest rate carryover.

(viii) An historical example, based on a $10,000 loan amount, illustrating how payments and the loan balance would have been affected by interest rate changes implemented according to the terms of the loan program. The example shall be based upon index values beginning in 1977 and be updated annually until a 15-year history is shown. Thereafter, the example shall reflect the most recent 15 years of index values. The example shall reflect all significant loan program terms, such as negative amortization, interest rate carryover, interest rate discounts, and interest rate payment limitations, that would have been affected by the index movement during the period.

(ix) An explanation of how the consumer may calculate the payments for the loan amount to be borrowed based on the most recent payment shown in the historical example.

(x) The maximum interest rate and payment for a $10,000 loan originated at the most recent interest rate shown in the historical example assuming the maximum periodic increases in rates and payments under the program; and the initial interest rate and payment for that loan.

(xi) The fact that the loan program contains a demand feature.

(xii) The type of information that will be provided in notices of adjustments and the timing of such notices.

(xiii) A statement that disclosure forms are available for the creditor's other variable-rate loan programs.

6. Section 226.20 is amended by adding paragraph (c) to read as follows:

§ 226.20 Subsequent disclosure requirements.

* * * * *

(c) *Variable-rate adjustments.*[45c] An adjustment to the interest rate with or without a corresponding adjustment to the payment in a variable-rate transaction subject to § 226.19(b) is an event requiring new disclosures to the consumer. At least once each year during which an interest rate adjustment is implemented without an accompanying payment change, and at least 25, but no more than 120, calendar days before a payment at a new level is due, the following disclosures, as applicable, must be delivered or placed in the mail:

(1) The current and prior interest rates.

(2) The index values upon which the current and prior interest rates are based.

(3) The extent to which the creditor has foregone any increase in the interest rate.

(4) The contractual effects of the adjustment, including the payment due after the adjustment is made, and a statement of the loan balance.

(5) The payment, if different from that referred to in paragraph (c)(4) of this section, that would be required to fully amortize the loan at the new interest rate over the remainder of the loan term.

Appendix H—[Amended]

7. Appendix H is amended by redesignating H–4 as H–4(A) and revising the heading in the table of Contents, by adding H–4(B), H–4(C), and H–4(D), and by revising H–14 and the heading in the table of contents to read as follows:

Appendix H—Closed-end Model Forms and Clauses

* * * * *

H–4(A) Variable-Rate Model Clauses (§ 226.18(f)(1))
H–4(B) Variable-Rate Model Clauses (§ 226.18(f)(2))
H–4(C) Variable-Rate Model Clauses (§ 226.19(b))
H–4(D) Variable-Rate Model Clauses (§226.20(c))

* * * * *

H–14 Variable-Rate Mortgage Sample (§ 226.19(b))

* * * * *

H–4(A) Variable-Rate Model Clauses

* * * * *

H–4(B) Variable-Rate Model Clauses

Your loan contains a variable-rate feature. Disclosures about the variable-rate feature have been provided to you earlier.

H–4(C) Variable-Rate Model Clauses

This disclosure describes the features of the Adjustable Rate Mortgage (ARM) program you are considering. Information on other ARM programs is available upon request.

How Your Interest Rate and Payment are Determined

- Your interest rate will be based on [an index plus a margin] [a formula].
- Your payment will be based on the interest rate, loan balance, and loan term.

—[The interest rate will be based on (identification of index) plus our margin. Ask for our current interest rate and margin.]
—[The interest rate will be based on (identification of formula). Ask us for our current interest rate.]
—Information about the index [formula for rate adjustments] is published [can be found] _____.
—[The initial interest rate is not based on the (index) (formula) used to make later adjustments. Ask us for the amount of current interest rate discounts.]

How Your Interest Rate Can Change

- Your interest rate can change (frequency).
- [Your interest rate cannot increase or decrease more than _____ percentage points at each adjustement.]
- Your interest rate cannot increase [or decrease] more than _____ percentage points over the term of the loan.

[45a] Information provided in accordance with variable-rate regulations of other federal agencies may be substituted for the disclosures required by paragraph (b) of this section.

[45b] Disclosures may be delivered or placed in the mail not later than three business days following receipt of a consumer's application when the application reaches the creditor by telephone, or through an intermediary agent or broker.

[45c] Information provided in accordance with variable-rate subsequent disclosure regulations of other federal agencies may be substituted for the disclosure required by paragraph (c) of this section.

How Your Payment Can Change

• Your payment can change (frequency) based on changes in the interest rate.

• [Your payment cannot increase more than (amount or percentage) at each adjustment.]

• You will be notified in writing _____ days before the due date of a payment at a new level. This notice will contain information about your interest rates, payment amount, and loan balance.

• [You will be notified once each year during which interest rate adjustments, but no payment adjustments, have been made to your loan. This notice will contain information about your interest rates, payment amount, and loan balance.]

• For example, on a $10,000 [term] loan with an initial interest rate of _____ (the rate shown in the interst rate column below for the year 19_____), the maximum amount that the interest rate can rise under this program is _____ percentage points, to _____ %, and the monthly payment can rise from a first-year payment of $_____ to a maximum of $_____ in the _____ year.

Example

The example below shows how your payments would have changed under this ARM program based on actual changes in the index from 1977 to 1991. This does not necessarily indicate how your index will change in the future.

The example is based on the following assumptions:

Amount of loan..... $10,000
Term..... _____
Change date ..... _____
Payment adjustment.... (frequency)
Interest adjustment..... (frequency)
[Margin] *..... _____
Caps ____ [periodic interest rate cap]
_____ lifetime interest rate cap
_____ [payment cap]
[Interest rate carryover]—
[Negative amortization]
[Interest rate discount] **
Index..... (identification of index or formula)

* This is a margin we have used recently; your margin may be different.

** This is the amount of a discount we have provided recently; your loan may be discounted by a different amount.

Year	Index (%)	Margin (percentage points)	Interest rate (%)	Monthly payment ($)	Remaining balance ($)
1977					
1978					
1979					
1980					
1981					
1982					
1983					
1984					
1985					
1986					
1987					
1988					
1989					
1990					
1991					

To see what your payments would have been during that period, divide your mortgage amount by $10,000; then multiply the monthly payments by that amount (For example, in 1991 the monthly payment for a mortgage amount of $60,000 taken out in 1977 would be: $60,000 ÷ $10,000 = 6; 6x_____ = $_____ per month.)

H–4(D) Variable-Rate Model Clauses

Your new interest rate will be _____%, which is based on an index value of _____%.

Your previous interest rate was _____%, which was based on an index value of _____%.

[The new interest rate does not reflect a change of _____ percentage points in the index value which was not added because of _____.]

[The new payment will be $_____.]

[Your new loan balance is $_____.]

[Your (new) (existing) payment will not be sufficient to cover the interest due and the difference will be added to the loan amount. The payment amount needed to pay your loan in full by the end of the term at the new interest rate is $_____.]

[The following interest rate adjustments have been implemented this year without changing your payment: _____. These interest rates were based on the following index values: _____.]

* * * * *

H–14 Variable-Rate Mortage Sample

This disclosure describes the features of the Adjustable Rate Mortgage (ARM) program you are considering. Information on other ARM programs is available upon request.

How Your Interest Rate and Payment are Determined

• Your interest rate will be based on an index rate plus a margin.

• Your payment will be based on the interest rate, loan balance, and loan term.

• The interest rate will be based on the weekly average yield on United States Treasury securities adjusted to a constant maturity of 1 year (your index), plus our margin. Ask us for our current interest rate and margin.

• Information about the index rate is published weekly in the *Wall Street Journal.*

• Your interest rate will equal the index rate plus our margin unless your interest rate "caps" limit the amount of change in the interest rate.

How Your Interest Rate Can Change

• Your interest rate can change yearly.

• Your interest rate cannot increase or decrease more than 2 percentage points per year.

• Your interest rate cannot increase or decrease more than 5 percentage points over the term of the loan.

How Your Montly Payment Can Change

• Your monthly payment can change yearly based on changes in the interest rate.

• For example, on a $10,000, 30-year loan with an initial interest rate of 9.71% (the rate shown in the interest rate column below for the year 1987), the maximum amount that the interest rate can rise under this program is 5 percentage points, to 14.71%, and the monthly payment can rise from a first-year payment of $85.62 to a maximum of $123.31 in the fourth year.

• You will be notified in writing 25 days before the annual payment adjustment may be made. This notice will contain information about your interest rates, payment amount, and loan balance.

Example

The example below shows how your payments would have changed under this ARM program based on actual changes in the index from 1977 to 1987. This does not necessarily indicate how your index will change in the future. The example is based on the following assumptions:

Amount..... $10,000
Term..... 80 years.
Payment adjustment. 1 year.
Interest adjustment. 1 year.
Margin..... 3 percentage points.
Caps..... 2 pecentage points annual interest rate. 5 percentage points lifetime interest rate.
Index..... Weekly average yield on U.S. Treasury securities adjusted to a constant maturity of one year.

Year (as of 1st week ending in July)	Index (percent)	Margin (percentage points)	Interest rate (percent)	Monthly payment (dollars)	Remaining balance (dollars)
1977	5.72	3	8.72	78.46	9,927.64
1978	8.34	3	10.72**	92.89	9,874.67
1979	9.44	3	12.44	105.67	9,832.70
1980	8.51	3	11.51	98.79	9,776.04
1981	14.94	3	13.51**	113.51	9,731.98
1982	14.41	3	13.72***	115.07	9,683.39
1983	9.78	3	12.78	108.25	9,618.21
1984	12.17	3	13.72***	114.96	9,554.39
1985	7.66	3	11.72**	101.08	9,456.03
1986	6.36	3	9.72**	88.13	9,311.25
1987	6.71	3	9.71	88.07	9,151.55

*This is a margin we have used recently; your margin may be different.
**This interest rate reflects a 2 percentage points annual interest rate cap.
***This interest rate reflects a 5 percentage points lifetime interest rate cap.

To see what your payments would have been during that period, divide your mortgage amount by $10,000; then multiply the monthly payment by that amount. (For example, in 1987 the monthly payment for a mortgage amount of $60,000 taken out in 1977 would be: $60,000 ÷ $10,000 = 6; 6 × $88.07 = $528.42.)

* * * * *

By order of the Board of Governors of the Federal Reserve System, dated December 21, 1987.

William W. Wiles,

Secretary of the Board.

[FR Doc. 87-29555 Filed 12-23-87; 8:45 am]

BILLING CODE 6210-01-M

FARM CREDIT ADMINISTRATION

12 CFR Parts 614 and 624

Farm Credit System Regulatory Accounting Practices—Temporary Regulations; Loan Policies and Operations—Loss sharing Agreements; Effective Date

AGENCY: Farm Credit Administration.

ACTION: Notice of effective date.

SUMMARY: The Farm Credit Administration (FCA) published final amended regulations under Parts 614 and 624 on November 16, 1987 (52 FR 43733). These regulations implement the provisions of the Farm Credit Act Amendments of 1986 relating to the use of regulatory accounting practices by Farm Credit System institutions and transfer the section relating to reversal of previously accrued financial assistance to the FCA regulations governing loss-sharing agreements. In accordance with 12 U.S.C. 2252, the effective date of the final rule is 30 days from the date of publication in the **Federal Register** during which either or both Houses of Congress are in session. Based on the records of the sessions of Congress, the effective date of the regulations is December 21, 1987.

EFFECTIVE DATE: December 21, 1987.

FOR FURTHER INFORMATION CONTACT: Kenneth L. Peoples, Office of the General Counsel, Farm Credit Administration, 1501 Farm Credit Drive, McLean, Virginia 22102-5090 (703) 883-4020.

(Secs. 5.17(9) and (10), Pub. L. 92-181, as amended by Pub. L. 99-205, 12 U.S.C. 2252(a)(9)(1))

Dated: December 21, 1987.

David A. Hill,

Secretary, Farm Credit Administration Board.

[FR Doc. 87-29543 Filed 12-23-87; 8:45 am]

BILLING CODE 6705-01-M

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. 87-NM-153-AD; Amdt. 39-5816]

Airworthiness Directives; McDonnell Douglas Model DC-10-10, -10F, -15, -30, -30F, -40, and KC-10A (Military) Series Airplanes, Fuselage Numbers 1 Through 400

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final Rule.

SUMMARY: This amendment adopts a new airworthiness directive (AD), applicable to certain McDonnell Douglas Model DC-10-10, -10F, -15, -30 -30F, -40, and KC-10A (Military) series airplanes, which requires inspections of the inboard and outboard wing flap vane primary (aft) attach bolts and nuts, and replacement, if necessary. This amendment is prompted by an incident where three pieces of a left hand outboard flap vane departed the aircraft due to corroded primary (aft) attach bolts and nuts. This condition, if not corrected, could result in the separation of an inboard or outboard flap vane from the wing.

EFFECTIVE DATE: January 20, 1988.

ADDRESSES: The applicable service information may be obtained from McDonnell Douglas Corporation, 3855 Lakewood Boulevard, Long Beach, California 90846, Attention: Director of Publications, C1-L00 (54-60). This information may be examined at the FAA, Northwest Mountain Region, 17900 Pacific Highway South, Seattle, Washington, or at 4344 Donald Douglas Drive, Long Beach, California.

FOR FURTHER INFORMATION CONTACT: Mr. Maurice Cook, Aerospace Engineer, Airframe Branch, ANM-121L, FAA, Northwest Mountain Region, Los Angeles Aircraft Certification Office, 4344 Donald Douglas Drive, Long Beach, California 90808; telephone (213) 514-6319.

SUPPLEMENTARY INFORMATION: The FAA has recently received a report of an incident where an operator of a McDonnell Douglas DC-10 series airplane lost sections of an outboard flap vane during flight. Investigation revealed that the nut for the primary

(aft) bolt attaching the vane to the support at track 2 was severely corroded and split; the primary bolt was not found. The attach bolt and nut were fabricated from high strength steel. Analysis attributed the nut failure to corrosion. Evaluation of the corroded nut showed that the bolt may have been missing for some time. The affected airplane had accumulated 42,876 flight hours time in service at the time of the incident.

Corrosion in the attach bolt and nut assemblies, if not detected and corrected, could lead to loss of the inboard or outboard flap vane from the wing.

The FAA has reviewed and approved McDonnell Douglas Alert Service Bulletin A57-107, dated June 22, 1987, which describes procedures for inspection and replacement, if necessary, of the inboard and outboard wing flap vane primary (aft) attach bolts and nuts.

Since this condition is likely to exist or develop on other airplanes of the same type design, this AD requires inspection and replacement, if necessary, of the inboard and outboard wing flap vane primary (aft) attach bolts and nuts, in accordance with the service bulletin previously mentioned.

Since a situation exists that requires immediate adoption of this regulation, it is found that notice and public procedure hereon are impracticable, and good cause exists for making this amendment effective in less than 30 days.

The FAA has determined that this regulation is an emergency regulation that is not considered to be major under Executive Order 12291. It is impracticable for the agency to follow the procedures of Order 12291 with respect to this rule since the rule must be issued immediately to correct an unsafe condition in aircraft. It has been further determined that this document involves an emergency regulation under DOT Regulatory Policies and Procedures (44 FR 11034; February 26, 1979). If this action is subsequently determined to involve a significant/major regulation, a final regulatory evaluation or analysis, as appropriate, will be prepared and placed in the regulatory docket (otherwise, an evaluation or analysis is not required).

List of Subjects in 14 CFR Part 39

Aviation safety, Aircraft.

Adoption of the Amendment

Accordingly, pursuant to the authority delegated to me by the Administrator, the Federal Aviation Administration amends § 39.13 of Part 39 of the Federal Aviation Regulations (14 CFR 39.13) as follows:

§ 39.1 [Amended]

1. The authority citation for Part 39 continues to read as follows:

Authority: 49 U.S.C. 1354(a), 1421 and 1423; 49 U.S.C. 106(g) (Revised, Pub. L. 97-449, January 12, 1983); and 14 CFR 11.89.

2. By adding the following new airworthiness directive:

McDonnell Douglas: Applies to McDonnell Douglas Model DC-10-10, -10F, -15, -30, -30F, -40, and KC-10A (Military) series airplanes, fuselage numbers 1 through 400, certificated in any category. Compliance required as indicated unless previously accomplished.

To prevent inboard and outboard flap vane separation due to loose, broken or corroded primary (aft) attach bolts or nuts, accomplish the following:

A. Within 15 days after the effective date of this AD, unless accomplished since June 6, 1987, inspect the flap vane primary (aft) attach bolts and nuts in accordance with the Phase I, Accomplishment Instructions, of McDonnell Douglas DC-10 Alert Service Bulletin No. A57-107, dated June 22, 1987, or later FAA-approved revisions.

B. If cracked, broken, or corroded bolts or nuts are found during the inspections required by paragraph A., above, before further flight, replace with airworthy bolts and nuts, in accordance with Phase I, Accomplishment Instructions of McDonnell Douglas DC-10 Alert Service Bulletin No. A57-107, dated June 22, 1987, or later FAA-approved revisions.

C. An alternate means of compliance, which provides an acceptable level of safety and which has the concurrence of an FAA Principal Maintenance Inspector, may be used when approved by the Manager, Los Angeles Aircraft Certification Office, FAA, Northwest Mountain Region.

D. Special flight permits may be issued in accordance with FAR 21.197 and 21.199 to operate airplanes to a base in order to comply with the requirements of this AD.

All persons affected by this directive who have not already received the appropriate service information from the manufacturer may obtain copies upon request to McDonnell Douglas Corporation, 3855 Lakewood Boulevard, Long Beach, California 90846, Attention: Director of Publications, C1-L00 (54-60). This information may be examined at the FAA, Northwest Mountain Region, 17900 Pacific Highway South, Seattle, Washington, or the Los Angeles Aircraft Certification Office, 4344 Donald Douglas Drive, Long Beach, California.

This amendment becomes effective January 20, 1988.

Issued in Seattle, Washington, on December 16, 1987.

Wayne J. Barlow,

Director, Northwest Mountain Region.

[FR Doc. 87-29490 Filed 12-23-87; 8:45 am]

BILLING CODE 4910-13-M

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

21 CFR Part 520

Oral Dosage Form New Animal Drugs Not Subject to Certification; Gentamicin Sulfate Soluble Powder

AGENCY: Food and Drug Administration.

ACTION: Final rule.

SUMMARY: The Food and Drug Administration (FDA) is amending the animal drug regulations to reflect approval of a supplemental new animal drug application (NADA) filed by Schering Corp. providing for the safe and effective use of a new concentration of gentamicin sulfate soluble powder for use in swine drinking water for control and treatment of colibacillosis in weanling swine and swine dysentery in swine.

EFFECTIVE DATE: December 24, 1987.

FOR FURTHER INFORMATION CONTACT: John R. Markus, Center for Veterinary Medicine (HFV-142), Food and Drug Administration, 5600 Fishers Lane, Rockville, MD 20857, 301-443-3442.

SUPPLEMENTARY INFORMATION: Schering Corp., Galloping Hill Rd., Kenilworth, NJ 07033, filed supplemental NADA 133-836 providing for use of a new concentration of gentamicin sulfate soluble powder (GENTOCIN®/GARACIN® soluble powder, 333.3 milligrams of gentamicin per gram) for control and treatment of colibacillosis in weanling swine caused by strains of *E. coli* sensitive to gentamicin, and control and treatment of swine dysentery associated with *Treponema hyodysenteriae*. There are two concentrations of gentamicin currently approved, 16.7 and 66.7 milligrams.

The supplemental NADA is approved for the proposed higher concentration of 333.3 milligrams of gentamicin, and the regulations in 21 CFR 520.1044c(a) are revised to reflect this approval. This approval provides for a new concentration of a currently approved drug. There is no change in the conditions of use for the product, and no new safety and effectiveness data were required. Therefore, a freedom of

information summary as provided for by 21 CFR 514.11(e)(2) is not required.

The agency has determined under 21 CFR 25.24(d)(1)(iii) that this action is of a type that does not individually or cumulatively have a significant effect on the human environment. Therefore, neither an environmental assessment nor an environmental impact statement is required.

List of Subjects in 21 CFR Part 520

Animal drugs.

Therefore, under the Federal Food, Drug, and Cosmetic Act and under authority delegated to the Commissioner of Food and Drugs and redelegated to the Center for Veterinary Medicine, Part 520 is amended as follows:

PART 520—ORAL DOSAGE FORM NEW ANIMAL DRUGS NOT SUBJECT TO CERTIFICATION

1. The authority citation for 21 CFR Part 520 continues to read as follows:

Authority: Sec. 512(i), 82 Stat. 347 (21 U.S.C. 360b(i)); 21 CFR 5.10 and 5.83.

2. Section 520.1044c is amended by revising paragraph (a) to read as follows:

§ 520.1044c Gentamicin sulfate soluble powder.

(a) *Specifications.* Each gram of gentamicin sulfate soluble powder contains gentamicin sulfate equivalent to 16.7, 66.7, or 333.3 milligrams of gentamicin.

* * * * *

Dated: December 21, 1987

Richard A. Carnevale,

Acting Associate Director, Office of New Animal Drug Evaluation, Center for Veterinary Medicine.

[FR Doc. 87-29520 Filed 12-23-87; 8:45 am]

BILLING CODE 4160-01-M

DEPARTMENT OF DEFENSE

Department of the Air Force

32 CFR Part 811

Release, Dissemination, and Sale of Visual Information Materials

AGENCY: Department of the Air Force, Department of Defense.

ACTION: Final rule.

SUMMARY: The Department of the Air Force revises the regulation establishing policy on the release, dissemination, and sale of Air Force visual information (VI) materials. It explains how reproductions may be sold, distributed, or released. This revision incorporates DOD Instruction 7230.7 which updates the schedule of fees. It also updates terminology, functional addresses and information on requesting visual material.

EFFECTIVE DATE: January 25, 1988.

ADDRESS: HQ USAF/SCV, Washington, DC 20330.

FOR FURTHER INFORMATION CONTACT: Major Cultice, HQ USAF/SCV, Washington, DC 20330, telephone (202) 695-9610.

SUPPLEMENTARY INFORMATION: On October 8, 1987, the Department of the Air Force published a proposed rule in the **Federal Register** establishing policy on the release, dissemination, and sale of Air Force visual information (VI) materials (52 FR 37631). No comments were received.

The Department of the Air Force has determined that this regulation is not a major rule as defined by Executive Order 12291, is not subject to the relevant provisions of the Regulatory Flexibility Act of 1980 (Pub. L. 96-354), and does not contain reporting or recordkeeping requirements under the criteria of the Paperwork Reduction Act of 1980 (Pub. L. 96-511).

Patsy J. Conner,

Air Force Federal Register Liaison Officer.

List of subjects in 32 CFR Part 811

Classified information, Motion pictures, Television.

Therefore, 32 CFR 811 is revised to read as follows:

PART 811—RELEASE, DISSEMINATION, AND SALE OF VISUAL INFORMATION MATERIALS

Sec.

Authority: 10 U.S.C. 8013.

Note.—Part 806 of this chapter states the basic policies and instructions governing the disclosure of records and tells members of the public what they must do to inspect or obtain copies of the material referenced herein.

§ 811.0 Purpose.

This part establishes policy on the release, dissemination, and sale of Air Force visual information (VI) materials. It explains how reproductions may be sold, distributed, or released. It implements 32 CFR Part 288 (Department of Defense (DOD) Instruction 7230.7), DOD Directive 4000.19, DOD Directive 7290.3-M, and DOD Directive 5040.2. It should be used with Part 806 (AFR 12-30, Air Force Freedom of Information Act Program); Part 812 (AFR 12-32, Schedule of Fees for Copying, Certifying, and Searching Records and Other Documentary Material); AFR 177-108, Paying and Collecting Transactions at Base Level; Part 837 (AFR 190-1, Public Affairs Policies and Procedures); and AFR 205-1, Information Security Program. It applies to all Air Force personnel including United States Air Force Reserve and Air National Guard units and members. The term major command (MAJCOM), when used in this part, includes separate operating agencies and direct reporting units.

§ 811.1 Exclusions.

This volume does not apply to:

(a) The sale of aerial reconnaissance or cartographic type photography. Request this photography from the Defense Mapping Agency/ODS, ATTN: DDCP, Washington, DC 20315-0020.

(b) The sale of completed productions. Requests for purchase of completed Air Force productions should be sent to the National Archives and Records Administration, National Audiovisual Center, Information Office, 8700 Edgeworth Drive, Capitol Heights MD 20722-3701.

(c) VI materials made for the Air Force Office of Special Investigations (AFOSI) for use in an investigation or a counterintelligence report. Part 806 and AFR 124-4, Requesting AFOSI Investigations and Safeguarding, Handling and Releasing Information from AFOSI Reports, show who may use these VI materials.

(d) VI materials made for aircraft and missile mishap investigators for investigations of Air Force aircraft and missile mishaps per AFR 127-4. Part 806 and AFR 124-4 show who may use these materials.

§ 811.2 Agencies authorized to release VI materials.

(a) The Secretary of the Air Force, Office of Public Affairs (SAF/PA), per Part 837, may release VI materials to:

(1) News media, commercial publications, or electronic mail.

(2) Film companies.

(3) Industries.

(4) Nonprofit organizations.

(5) Agencies outside the federal government.

(6) The general public (not associated with the news media).

(b) The Secretary of the Air Force, Office of Legislative Liaison (SAF/LL), arranges for the release of VI material through SAF/PA upon request from members of Congress and provides such material for official use.

(c) The International Affairs Division (HQ USAF/CVAII) (or, in some cases, MAJCOM Foreign Disclosure Office) authorization is required to release classified and unclassified materials for use by foreign governments and international organizations or their representatives.

§ 811.3 Policy on the dissemination and sale of VI products.

(a) *Sale of VI material.* Although copies of Air Force VI products may be sold, Air Force policy is to not compete with commercial industry. When VI materials are sold to persons or organizations outside the federal government, charges and fees must be assessed according to Part 812.

(b) *Dissemination of VI material to state and local governments.* Copies of VI materials that meet the requirements of this part may be loaned or sold to state and local governments, or any tax exempt organization, under Title III of the 1968 Intergovernmental Cooperation Act. The requester must certify that such materials are not available from commercial sources. The only Air Force organization authorized to loan copies of VI materials is the United States Air Force Central Visual Information Library (AFCVIL), managed by 1352d Audiovisual Squadron, Norton AFB CA.

(c) *Disseminating and selling activities.* Dissemination and sale of Air Force VI documentation is accomplished by the DOD Motion Media Records Center, operated by the 1352d Audiovisual Squadron (AAVS) (MAC), Norton AFB CA and the DOD Still Media Records Center, operated by the US Navy at the Anacostia Naval Station, Washington, DC.

(d) *Sale of original VI material.* Original VI material is not for sale. Reproductions of the original may be sold. HQ USAF/SCV may authorize the loan of copies or duplicates of original material for federal government use. SAF/PA may lend copies or duplicates of original material to agencies outside the federal government and to the public.

(1) DOD VI records centers use only government-owned VI material in servicing approved requests for dissemination and sale. The use of nongovernment VI material must be with the written permission of the owner.

(2) Production of material for sale must not stop or slow official Air Force work or be used to justify facility expansion or additional manpower.

(e) *Requests and services exempt from fees.* In accordance with Part 813, requests received from the sources below are exempt from paying fees if funds are available for producing the material, production does not impair the mission of the furnishing agency, all clearances and releases specified by this part have been obtained, and the work can be done during normal duty hours. When requests cannot be accomplished within the above criteria, the request will be processed only when fees are paid by the requester.

(1) DOD and other government agencies requesting VI materials for official activities (DOD Directive 4000.19 and DOD Directive 5040.2).

(2) Members of Congress requesting VI materials for use in official activities.

(3) VI records center materials or services furnished according to law or Executive order.

(4) Federal, state, territorial, county, or municipal governments, or their agencies, for functions related to or furthering an Air Force or other DOD objective.

(5) Nonprofit organizations for functions related to public health, education, or welfare.

(6) Members of the Armed Forces in a casualty status, their next of kin, or authorized representative, when the requested VI material relates to the member and does not compromise classified information or the work of an accident investigation board.

(7) The general public, to further the Armed Forces recruiting program or public understanding of the Armed Forces, when such VI materials or services are determined by SAF/PAM to be in the best interest of the Air Force.

(8) Incidental or occasional requests for VI records center materials or services (including requests from residents of foreign countries) when it is determined that fees would be inappropriate. (For the distribution of VI materials to foreign nations, see Part 837 of this chapter).

§ 811.4 Restrictions on the use of government VI records.

Activities sending materials to the DOD VI records centers must ensure that any limitation on their use is noted on the materials. The following restrictions on VI material disseminated or sold from the records centers must also be observed:

(a) Materials must not be used to promote or endorse a commercial service or product (see Part 837).

(b) Rights to official Air Force VI material may not be claimed by any other agency or person.

(c) The waiver of propriety and privacy rights cannot be granted with the sale or release of VI materials unless these rights and the rights of transfer are owned by the Air Force.

(d) VI materials received from Air Force contractors may be released, disseminated, or sold if not identified as proprietary material in the applicable contract.

(e) When provisions of formal agreements between the Air Force and other government agencies on release of VI materials differ from this part, the provisions of the formal agreement apply.

§ 811.5 Procedures for requesting VI materials.

(a) Informal inquiries may be made to the appropriate DOD records center on VI materials available in broad subject areas. Such inquiries are not formal requests. Research of, or access to, materials are provided only by submission of a formal request. Inquiries regarding motion picture or television materials should be sent to the DOD Central Motion Media Records Center (1352d AVS/AVOS, Norton AFB CA 92409–5996). Inquiries regarding still photo materials should be sent to the DOD Still Media Records Center, ATTN: Code LGP–R, Bldg 168, Anacostia Naval Station, Washington, DC 20374–1681.

(b) Submit formal requests according to § 811.8 and § 811.9. When advised that the request has been approved, the requester may communicate directly with the records center about the selection of materials.

§ 811.6 How to collect fees.

(a) The Air Force or DOD activity making the sale collects the funds in advance.

(b) The fees due the United States must be paid by cash, United States Treasury check, certified check, cashiers check, bank draft, or postal money order (AFM 177–108). Personal checks may not be used.

§ 811.7 Schedule of fees.

Fees are established by the Department of Defense and are listed as follows:

(a) Still Photography. Still pictorial or documentary photographic prints. Unlisted standard sizes of prints may be furnished, if available, at prevailing contract or activity rates.

PRICE PER PRINT

	Quantity			
	1-9	10-20	21-50	50+
8"×10" single weight (RC type) paper	$4.50	$3.25	$2.50	$1.75
11"×14" single weight (RC type) paper	9.00	7.00	5.00	4.00
16"×20" single weight (RC type) paper	19.00	15.00	12.00	9.50
20"×24" single weight (RC type) paper	30.00	25.00	20.00	15.00
8"×10" single weight color paper	11.00	7.50	3.50	3.00
11"×14" single weight color paper	17.00	9.00	6.50	5.50
16"×20" single weight color paper	35.00	25.00	14.00	11.50
35mm color transparency slide made from color negative	5.00	3.50	3.00	3.00
35mm duplicate from 35mm slide	1.00	.60	.50	.45
Print mounted on 16"×20" cardboard	[1] 8.00			
Print mounted on 20"×24" cardboard	[1] 12.00			
8"×10" color transparencies	[2] 20.00			
4"×5" color transparencies	4.50			
4"×5" B&W negative	2.00			
70mm color negative	7.50			

[1] Unit price of print.
[2] First $16.00 each additional.
NOTE: DOD Still Records Center photographic services are not normally done in-house by DOD. Charges for the above processing and services will be at prevailing contract rates on a case-by-case basis. All prices are subject to change without notice. Fees for copies of photographs which are part of a patient's medical record should be coordinated with the Patient Affairs Officer at the medical treatment facility.

(b) Motion Picture.

	Price Per Foot Contact
Color	
16mm work print (positive) work print from an original negative	$.20
16mm reversal work print	.20
16mm color master ("A" roll)	.60
16mm duplicate negative (from master positive)	.60
16mm reversal duplicate negative	.85
16mm internegative (from reversal original)	.70
16mm short rolls (under 100 ft)	[1].10
16mm tab-to-tab printing	[1].10
Black and White:	
16mm work print (negative/positive)	.10
16mm master positive (fine grain)	.25
16mm duplicate negative	.25
16mm short rolls (under 200 ft)	[1].10
16mm tab-to-tab printing	[1].10
Miscellaneous:	
Magnetic tape—dub from 16mm film	$65.00
Searching (per hour or fraction thereof)	18.00
Minimum charge per film order (including search)	35.00
16mm film to videotape (broadcast quality tape format per hour)	[2] 275.00
Minimum charge for film to videotape transfer	[2] 140.00

[1] Plus basic price.
[2] Plus raw stock.

NOTE: 35mm film processing for motion pictures and some motion picture services are not done in-house by the DOD. Charges for these types of processing and services will be at prevailing contract rates on a case-by-case basis. Prices are subject to change without notice.

BILLING CODE 1910-01-M

§ 811.8 Requests for motion media.

RULE	A	B	C	D	E
		and material requested is			
	If the requester is	unclassified	classified	then furnish in writing the	and send the request to
1	news media	x	– –	– –	SAF/PA, Wash DC 20330-5000 for regional, national or international release; servicing PA for local release.
2	the general public including entertainment, documentary, advertisers, industrial media producers, editors & writers	x	– –	film sequence outline of script; intended use of the film/video; type of film stock needed (neg, interneg, print, 3/4" video tape) approx number of screen feet	SAF/PAMB, Wash DC 20330-5000
3	an Air Force or other federal government agency	x	– –	intended use of the film/video type stock needed (neg, interneg, print, 3/4" video tape); approx number of screen feet/minutes	1352 AVS/AVOS, Norton AFB CA 92409-5996
4	a federal government contractor (to meet USAF requirements specified in federal contract)	x	– –	– –	USAF plant representative
5	an Air Force contractor (to meet VI requirements specified in a USAF contract)	– –	x	intended use of the material; type of material needed (print, neg, interneg, video); required number of prints, slides, negs, etc.; a full justification for access to classified material	USAF plant representative
6	a federal government contractor (to provide material for public release)	x	– –		
7	USAF plant representative (to provide material to federal government contractor that is specified in federal contract)	x	– –		1352 AVS/AVOS Norton AFB, CA 92409-5996
8	USAF plant representative (to provide material to federal government contractor for release to public)	x	– –		SAF/PA, 1352 AVS/AVOS IN TURN
9	USAF plant representative (to provide material to an Air Force contractor that was specified in USAF contract)	– –	x		MAJCOM (CC), 1352 AVS/AVOS IN TURN
10	a nonfederal government agency (state, county, territorial, municipal)	x	– –	intended use of VI materials; type of film, video tape stock needed (neg, interneg, print, 3/4", 1", etc.); approx number of screen feet/minutes; a certification that requested material cannot be procured reasonably and expeditiously through normal business channels	SAF/PAMB, Wash DC 20330-5000
11	members of Congress	x	x	intended use of VI products; type of film/video stock needed (neg, interneg, print, 3/4", 1", etc.); approx number of screen feet; full justification for access to classified material	SAF/LL, Wash DC 20330-5000
12	foreign governments, international organizations or their representatives	x	x		HQ USAF/CVAII or MAJCOM (if delegated authority)
13	foreign nationals or foreign industries (other than representatives of foreign governments or international organizations)	x	– –		ICA office serving the foreign country (see note)
14	same as 13	– –	x		HQ USAF/CVAII or MAJCOM (if delegated authority)
15	an Air Force activity	– –	x		MAJCOM (CC) 1352 AVS/AVOS IN TURN
16	other non-Air Force activities	– –	x	intended use of VI product; type of film stock/video tape needed (neg, interneg, print, 3/4", 1" tape, etc.); approx number of screen feet; full justification for access to classified material; a statement describing the measures to be taken—at least equal to those in DOD 5200.1R/AFR 205-1, to safeguard and protect the material against unauthorized disclosure	HQ USAF/SCV, Wash DC 20330-5190

Note: Requests originating within the United States may be sent to SAF/PA, Wash DC 20330-5000, for coordination with HQ USAF/CVAI(S) and ICA clearance.

BILLING CODE 3910-01-C

§ 811.9 Requests for still VI media.

RULE	A	B	C	D	E
		and material requested is			
	If the requester is	unclassified	classified	then furnish in writing the	and send the request to
1	news media	x	--		SAF/PAMB, Wash DC 20330-5000 for regional, national or international release; servicing PA, for local release.
2	the general public including entertainment, documentary, advertisers, industrial media producers, editors & writers	x	--	story outline or ad copy; intended use of the material; type of material needed (neg, print, interneg); required number of prints, slides, negs, etc.	SAF/PAMB, Wash DC 20330-5000
3	an Air Force or other federal government agency	x	--		DOD Still Media Records Center, ATTN: Code LGP-R, Bldg 168, Anacostia Naval Station, Wash DC 20374-1681
4	a federal government contractor (to meet VI requirements specified in federal contract)	x	--		USAF plant representative
5	an Air Force plant representative (to meet a federal government contractor's needs specified in federal contract)	x	--		SAF/PA, Wash DC 20330-5000
6	an Air Force contractor (to meet VI requirements specified in a USAF contract)	--	x	intended use of the material, type of material needed (print, neg, interneg); required number of prints, slides, negs, etc.; a full justification for access to classified material	AF plant representative
7	an Air Force plant representative (to meet a federal government contractor's needs specified in a USAF contract)	--	x		MAJCOM (CC), DOD Central Still Media Records Center
8	a nonfederal government agency (state, county, territorial, municipal)	x	--	intended use of the material; type of material needed (neg, print, interneg); required number of prints, slides, negs, etc; a certification that the requested material cannot be procured reasonably and expeditiously through ordinary business channels	SAF/PA, Wash DC 20330-5000
9	members of Congress	x	x		SAF/LL, Wash DC 20330-5000
10	foreign governments, international organizations or their representatives	x	x	intended use of the material; type of material needed (print, neg, interneg); required number of prints, slides, negs, etc.; a full justification for access to classified material	HQ USAF/CVAII or MAJCOM (if delegated authority)
11	foreign nationals or foreign industries other than representatives of foreign governments or international organizations	x	--		Central Still Media Records Center
12	foreign nationals or foreign industries other than representatives of foreign governments or international organizations	--	x		HQ USAF/CVAII or MAJCOM (if delegated authority)
13	an Air Force activity	--	x		MAJCOM (CC), DOD Central Still Media Records Center IN TURN
14	a non-Air Force activity	--	x	intended use of the material; type of material needed (neg, print, interneg); required number of prints, slides, negs, etc.; a full justification for access to classified material; a statement describing the measures taken—at least equal to those in DOD 5200.1-R/AFR205-1, to safeguard and protect the material against unauthorized disclosure	HQ USAF/SCV, Wash DC 20330-5000

Note: Requests originating within the United States may be sent to SAF/PA, Wash DC 20330-5000 for coordination with HQ USAF/CVAII and PA clearance.

[FR Doc. 87-29439 Filed 12-23-87; 8:45 am]
BILLING CODE 3910-01-C

32 CFR Part 811a

Visual Information Documentation (VIDOC) Program

AGENCY: Department of the Air Force, DOD.

ACTION: Final rule.

SUMMARY: The Department of the Air Force revised the regulation establishing policy for the management of the Air Force visual information documentation (VIDOC) program. It implements Department of Defense (DOD) Directive 5040.2, and describes how the program is accomplished. The revision updates functional address symbols and implements new terminology.

EFFECTIVE DATE: January 25, 1988.

ADDRESS: HQ USAF/SCV, Washington, DC 20330.

FOR FURTHER INFORMATION CONTACT: Major Cultice, HQ USAF/SCV, Washington, DC 20330, telephone (202) 695-9610.

SUPPLEMENTARY INFORMATION: The Department of the Air Force published a proposed rule in the **Federal Register** on October 8, 1987, establishing policy for the management of the Air Force visual information documentation program (52 FR 37636). No comments were received.

The Department of the Air Force has determined that this regulation is not a major rule as defined by Executive Order 12291, is not subject to the relevant provisions of the Regulatory Flexibility Act of 1980 (Pub. L. 96-354), and does not contain reporting or recordkeeping requirements under the criteria of the Paperwork Reduction Act of 1980 (Pub.L. 96-511).

List of Subject in 32 CFR Part 811a

Archives and records, Motion pictures.

Therefore, 32 CFR Part 811a is revised to read as follows:

32 CFR PART 811a—VISUAL INFORMATION DOCUMENTATION (VIDOC) PROGRAM

Authority: 10 U.S.C. 8013.

§ 811a.1 Purpose.

This part establishes policy for the management of the Air Force visual information documentation (VIDOC) program. It implements Department of Defense (DOD) Directive 5040.2 and describes how the program is accomplished. It applies to all Air Force personnel including United States Air Force Reserve and Air National Guard units and members. The term major command (MAJCOM), when used in this part includes separate operating agencies and direct reporting units. The Air Force VIDOC program:

(a) Records, through visual information (VI) means (still photographs, motion pictures, video, audio tape, and so forth), imagery of significant Air Force events that document the employment, growth, progress, and exercise of Air Force resources during peacetime and in combat.

(b) Collects and preserves visual imagery of significant Air Force events with known or potential historical or archival value.

(c) Ensures imagery which depicts the prime mission, support activities, and significant events of key Air Force organizations is available. VIDOC imagery or products are used for many purposes, at all levels, in the Air Force. Examples are:

(1) *Immediate use.* Documentation used to help analyze and evaluate concepts and results of deployments, contingencies, tests, exercises, and so forth, during peacetime and in combat to support Air Force, DOD, and national objectives. VIDOC provides source material for slides, motion picture clips, video tapes, multimedia products, and so forth; used for training, management, information, and briefing purposes. In wartime, products are used to support theater commanders psychological operations objectives, operational briefings, status reports, public affairs requirements, collateral intelligence, and the historical record.

(2) *Future use.* VIDOC materials with long-term or permanent value are retained in DOD central record centers, the National Air and Space Museum, and the National Archives. These make up the pictorial records of development, growth, and progress of air power and provide a continued resource for VI productions and other media presentations.

§ 811a.2 Material sources for the VIDOC program.

(a) The primary sources of VI documentation materials are:

(1) Aerospace Audiovisual Service (AAVS) documentation crews, both ground and aerial, whose primary mission is to acquire Air Force imagery in peacetime and in combat.

(2) Base VI support centers (VISC).

(3) Optical instrumentation and engineering imagery of Air Force research, development, test, and evaluation (RDT&E) projects, including that material originated by defense and aerospace contractors.

(4) Armament delivery recording (ADR) imagery.

(b) Although the imagery may not originate from a documentation requirement, when properly processed, indexed, and stored, it serves as a valuable source of VI documentation.

§ 811a.3 Disposition of VI documentation materials.

(a) VI materials generated or acquired by Air Force members, employees, or contractors in conducting official duties are the property of the United States Air Force. Personal use of VI material for sale or any other reason not directly related to an official Air Force activity is prohibited. Any deviation from this policy must be approved by HQ USAF/SCV. This policy also applies when Air Force members or employees, by choice or agreement, occasionally use personally owned equipment or supplies in conducting official duties.

(b) Photographs, motion picture films, transparencies, video tapes, audio recordings, and other VI products are subject to safeguards and release requirements when released outside the Department of Defense (see Part 806 and Part 837 of this chapter).

Patsy J. Conner,

Air Force Federal Register Liaison Officer.

[FR Doc. 87-29438 Filed 12-23-87; 8:45 am]

BILLING CODE 3910-01-M

VETERANS ADMINISTRATION

38 CFR Part 8a

Veterans Mortgage Life Insurance

AGENCY: Veterans Administration.

ACTION: Final regulatory amendments.

SUMMARY: The Veterans Administration (VA) is amending its Veterans Mortgage Life Insurance (VMLI) regulations to provide that where an eligible veteran ceases to own the housing unit purchased in part with a grant, or a subsequently acquired housing unit which was subject to a mortgage loan that resulted in his or her life being insured under Veterans Mortgage Life Insurance, he or she will again be eligible for full Veterans Mortgage Life Insurance coverage up to the statutory maximum. Eligibility for maximum coverage will not be reinstated where a housing unit is being remortgaged or refinanced.

EFFECTIVE DATE: December 24, 1987.

FOR FURTHER INFORMATION CONTACT: Paul F. Koons, Assistant Director for Insurance, Veterans Administration Regional Office and Insurance Center, P.O. Box 8079, Philadelphia, PA 19101 (215) 951-5360.

SUPPLEMENTARY INFORMATION: On pages 26356 nd 26357 of the **Federal Register** of July 14, 1987, proposed regulatory amendments were published providing that eligibility for maximum VMLI coverage may be reinstated under certain circumstances. Interested parties were given 30 days within which to submit written comments, suggestions, or objections regarding the proposed regulatory amendments. No written objections were received and the proposed regulations are hereby adopted without change and are set forth below.

The Administrator hereby certifies that these final regulatory amendments will not have a significant impact on a substantial number of small entities as they are defined in the Regulatory Flexibility Act (RFA), 5 U.S.C. 601-612. Pursuant to 5 U.S.C. 605(b) these final regulatory amendments are, therefore, exempt from the initial and final regulatory flexibility analyses requirements of sections 603 and 604. The reason for this certification is that these final regulatory amendments will affect only certain VMLI policyholders. They will, therefore, have no significant direct impact on small entities in terms of compliance costs, paperwork requirements or effects on competition.

The VA has also determined that these final regulatory amendments are nonmajor in accordance with Executive Order 12291, Federal Regulation. These final regulatory amendments will not have a large effect on the economy, will not cause an increase of costs or prices, and will not otherwise have any significant adverse economic effects.

The Catalog of Federal Domestic Assistance Program Number is 64.103.

List of Subjects in 38 CFR Part 8a

Mortgage life insurance, Veterans.

Approved: November 24, 1987.

Thomas K. Turnage,

Administrator.

PART 8a—VETERANS MORTGAGE LIFE INSURANCE

38 CFR Part 8a—Veterans Mortgage Life Insurance is amended as follows:

1. Section 8a.2 is revised to read as follows:

§ 8a.2 Maximum amount of insurance

(a) Each eligible veteran is authorized up to a maximum of $40,000 in Veterans Mortgage Life Insurance (VMLI) to insure his or her life during periods he or she is obligated under a mortgage loan, except that, as to an individual housing unit, whenever there is a reduction in the actual amount of insurance in force as provided for in § 8a.4(b) of this title, the amount of Veterans Mortgage Life Insurance thereafter available to insure the life of the same veteran on the same housing unit is permanently reduced by a like amount.

(b) The maximum amount of insurance in force on any one life at one time shall not exceed the lesser of the following amounts:

(1) $40,000.

(2) For insurance issued prior to December 24, 1987, the reduced maximum amount of insurance then available to an eligible veteran.

(3) The amount of the unpaid principal of the mortgage loan outstanding on the date of approval of the grant on a housing unit then owned and occupied by the eligible veteran, or on a housing unit being or to be constructed or remodeled for the eligible veteran, and such initial amount of insurance may be adjusted upward, subject to the maximum insurance available to the eligible veteran, or downward, depending upon the amount of the mortgage loans outstanding on the date of full disbursement of the grant, or on the date of final settlement of the purchase, construction, or remodeling agreement, whichever date is the later date.

(4) Where an eligible veteran ceases to own the housing unit purchased or adapted in part with a grant, or subsequently acquired housing unit which was subject to a mortgage loan that resulted in his or her life being insured under Veterans Mortgage Life Insurance, and becomes obligated under a mortgate loan on another housing unit occupied or to be occupied by the eligible veteran, the amount of the unpaid principal outstanding on the mortgage loan on the newly acquired housing unit on the date insurance hereunder is placed in effect.

(5) Where an eligible veteran incurs or refinances a mortgage loan, subject to the provisions of paragraph (a) of this section, the amount of the incurred or refinanced mortgage loan.

(6) Where the title to a housing unit is or will be vested in an eligible veteran and his or her spouse, the amount of insurance shall not exceed the principal amount of the outstanding mortgage loans. If title to an undivided interest in a housing unit is or will be vested in a person other than the spouse of an eligible veteran, the amount of Veterans Mortgage Life Insurance or his or her life shall be computed to be such part of the total of the unpaid principal of the loan outstanding on the housing unit as is proportionate to the undivided interest of the veteran in the entire property.

(7) All claims, arising out of the deaths of insured veterans occurring prior to October 1, 1976, shall be subject to the $30,000 lifetime maximum amount of insurance then in effect.

(8) All claims, arising out of the deaths of insured veterans occurring prior to (date of final publication), shall be subject to the provisions of paragraph (a) of this section then in effect which limited the amount of Veterans Mortgage Life Insurance coverage to a lifetime maximum per eligible veteran.

(c) Any eligible veteran who prior to October 1, 1976, was covered by $30,000 Veterans Mortgage Life Insurance and who on that date became eligible to have his or her coverage increased may elect to retain the lesser amount of coverage he or she had in effect prior to that date.

(Authority: 38 U.S.C. 210, 806)

2. In § 8a.4, paragraph (b) and the first sentence of paragraph (d) are revised and an authority citation is added at the end of the section to read as follows:

§ 8a.4 Coverage.

* * * * *

(b) The amount of Veterans Mortgage Life Insurance in force on his or her life at any one time shall be reduced simultaneously (1) with the reduction in the principal of the mortgage loan, whether or not the mortgage loan is amortized, and (2) in addition, if the mortgage loan is amortized, according to the schedule for the reduction of the principal of the mortgage loan whether or not the schedule payments are timely made.

* * * * *

(d) Subject to the $40,000 maximum amount of insurance, and to the reduced maximum amount of insurance available to the eligible veteran, he or she is entitled to be insured under Veterans Mortgage Life Insurance or to apply for such insurance as often as he or she becomes obligated under a mortgage loan or a refinanced mortgage loan on a housing unit or a successor housing unit owned and occupied by the eligible veteran.* * *

(Authority: 38 U.S.C. 210, 806)

[FR Doc. 87-29426 Filed 12-23-87; 8:45 am]

BILLING CODE 8320-01-M

POSTAL SERVICE

39 CFR Part 111

Domestic Mail Manual; Forwarding of Fourth-Class Mail

AGENCY: Postal Service.

ACTION: Final rule.

SUMMARY: This rulemaking modifies the process by which the Postal Service forwards fourth-class mail. Under the modified procedure, the Postal Service will attempt to forward all fourth-class mail unless the sender specifically endorses the package to the contrary. Under the former procedures, forwarding to a different post office depended upon a prior agreement by the addressee to pay forwarding postage.

EFFECTIVE DATES: This rule is effective December 24, 1987, except that grace periods are allowed for the phase-out of several endorsements as explained below.

FOR FURTHER INFORMATION CONTACT: John Sadler, (202) 268–3523.

SUPPLEMENTARY INFORMATION: On July 27, 1987, the Postal Service published a proposed rule to modify the process of forwarding fourth-class mail, 52 FR 28021. The Postal Service received eight written comments to the proposed rule.

All eight comments favored the proposed rule change because it was preferable to the current process which they believe is not well understood by individuals. Specifically, the commenters indicated that they believe that most individuals do not adequately understand what is included in fourth-class mail and, as a result, do not understand the Postal Service's request to indicate whether they will guarantee payment of fourth-class forwarding postage when they fill out a change of address card. The commenters concluded that the proposed rule, which would provide that all fourth-class mail is forwarded to the addressee who will be allowed at the point of delivery to either accept or refuse delivery and payment of postage, will result in more pieces being accepted with fewer returns because recipients will be refusing only those packages which they truly do not want.

Several commenters also indicated that they felt that the endorsements "Address Correction Requested" and "Forwarding and Return Postage Guaranteed, Address Correction Requested" were redundant. Most of these commenters urged elimination of the "Address Correction Requested" endorsement since it does not provide our delivery personnel with sufficiently explicit instructions as to the service desired by the mailer. We agree with this argument and, at the end of a one-year grace period (December 24, 1988), we will eliminate "Address Correction Requested" as an officially recognized endorsement.

Several commenters also argued that the "Do Not Forward" endorsement was not sufficiently specific as to mailer intent and the resultant Postal Service action. We agree and are changing the "Do Not Forward" endorsement to "Do Not Forward, Do Not Return". Mailers may, however, continue to use the endorsement "Do Not Forward" during a one-year grace period, until December 24, 1988.

Although two commenters argued for elimination of the disposal of the mail option there were other commenters who agreed with the option and clearly desired it. Based on these comments and our own views, the Postal Service will retain this option which allows a mailer to elect to have the Postal Service dispose of an undeliverable piece instead of returning it to the sender. We have also added a new endorsement based on several comments which requested an "off piece" address correction and the disposal of the mail piece. The endorsement will be "Do Not Forward, Do Not Return, Address Correction Requested."

Ordinarily the Postal Service delays the effective date of a final rule until thirty days after the date of publication. In this case, we believe an exception is warranted, and accordingly we are making the rule effective upon publication in the Federal Register. Our reasons for doing so are the following. Those affected by the rule will be permitted, if they wish, to continue following the former procedure during a one year grace period. Secondly, because the new rule requires the Postal Service to print and distribute several new forms, the sooner we can begin that rather lengthy process the sooner the service can be offered to mailers who uniformly want and need it.

Based on our proposed rule and the comments received thereto, the Postal Service hereby amends the Domestic Mail Manual, which is incorporated by reference in the Code of Federal Regulations (see 39 CFR 111.1.), as follows:

PART 111—[AMENDED]

1. The authority citation for Part 111 continues to read as follows:

Authority: 5 U.S.C. 552(a); 39 U.S.C. 101, 401, 403, 404, 3001–3011, 3201–3219, 3403, 3621, 5001.

PART 159—UNDELIVERABLE MAIL

2. In 159, revise Exhibit 159.151f to read as follows:

Exhibit 159.151f—Treatment of Undeliverable Fourth-Class Mail Including Parcel Post (Forwarded up to 12 months)

Mailer endorsement	USPS action
No Endorsement	Forward locally at no charge, forward out of town postage due.
	If undeliverable or addressee refuses to pay postage, return mail pieces with new address or reason for nondelivery; charge both forwarding (where attempted) and return postage.
Do Not Forward, Do Not Return [1]	No forwarding or return service is provided, mail pieces is disposed of by the Postal Service.
Forwarding and Return Postage Guaranteed	Same as no endorsement.
Forwarding and Return Postage, Guaranteed, Address Correction Requested [2].	Forward locally at no charge; forward out of town postage due.
	If forwarded, provide a separate address correction notice; charge address correction fee.
	If mail piece is undeliverable, or addressee refuses to pay postage, return mail piece with new address or reason for nondelivery; charge both forwarding (where attempted) and return postage at the appropriate single-piece fourth-class rate.
Do Not Forward, Do Not Return, Address Correction Requested.	No forwarding or return service is provided; provide a separate address correction notice; charge address correction fee; mail piece is disposed of by Postal Service.

Mailer endorsement	USPS action
Do Not Forward, Address Correction Requested, Return Postage Guaranteed [3].	No forwarding service is provided; return mail piece with new address or reason for nondelivery; charge return postage at the appropriate single piece fourth-class rate.

[1] Mailers may continue to use the endorsements "Do Not Forward" which has been changed to "Do not Forward, Do not Return" and the "Address Correction Requested" endorsement which will be eliminated after a period of one year. This grace period expires on December 24, 1988.

[2] The authorized abbreviation for this endorsement is FWD & RET Postage Guaranteed—ACR.

[3] The authorized abbreviation for this endorsement is Do Not Forward-ACR-RPG or DNF-ACR-Return Postage Guaranteed.

NOTE.—These regulations apply to mail associated with a customer change of address. Do not provide temporary change of address information at any time.

3. In 159.2, revise .212 and .24d to read as follows:

159.2 Forwarding.

* * * * *

.212 Unless endorsed *Do Not Forward, Do Not Return,* fourth-class mail is forwarded locally for 1 year free of charge. The addressee is charged forwarding postage for pieces forwarded non-locally. However, the addressee is not required to accept each article; it is the addressee's option to refuse any piece of fourth-class mail. Such refusal does not revoke the right to have other fourth-class mail forwarded. If the addressee intends to refuse to pay forwarding postage on all fourth-class mail and desires that the Postal Service not forward such mail, the addressee must request the postmaster to send Form 3546, *Notice to Change Forwarding Order,* to the postmaster at the old address, requesting that the forwarding of fourth-class mail be discontinued.

* * * * *

.24 Postage for Forwarding.

* * * * *

d. Fourth-class mail is subject to the collection of additional postage for nonlocal forwarding at the appropriate single-piece rate. Unless endorsed *Do Not Forward, Do Not Return,* all fourth-class will be delivered as directed when the old and new addresses are served by the same single-ZIP Coded or multi-ZIP Coded post office. Additional postage is not charged.

PART 790—ANCILLARY SERVICES (FOURTH-CLASS MAIL)

4. In 790, revise 791, 792 and 793 to read as follows:

790 Ancillary Services.

791 Forwarding and Return.

Unless endorsed *Do Not Forward, Do Not Return,* fourth-class mail will be forwarded locally for 1 year at no charge. (For forwarding purposes, local is defined as the same single-ZIP Coded or multi-ZIP Coded post office.) Unless specifically endorsed *Do Not Forward, Do Not Return* or unless the customer has filed a Form 3546, *Notice to Change Forwarding Order,* non-local forwarding for 1 year will be provided at an additional charge. Undeliverable fourth-class mail bearing no endorsement or the endorsement *Forwarding and Return Postage Guaranteed, Address Correction Requested* or *Forwarding and Return Postage Guaranteed* is forwarded, when the new address is known. Forwarding postage will be collected from the addressee if the mail piece is accepted. The recipient may refuse to pay the forwarding postage on any piece of fourth-class mail (and have the piece returned) and still continue to have other fourth-class mail forwarded. Form 3546 will be used only if the addressee intends to refuse to pay for forwarding on all fourth-class mail and requests the postmaster of the new address to notify the postmaster of the old address that forwarding service on fourth-class mail is not desired. The appropriate single-piece rates and conditions are applicable to forwarding and return of fourth-class items mailed at single piece, presort, and bulk rates. If the piece cannot be forwarded because the new address is not known, it will be given return service (see 792), unless endorsed *Do Not Forward, Do Not Return.* During months 13 through 18 mail pieces will be returned with the correct new (forwarding) address or the reason for nondelivery attached unless endorsed *Do Not Forward, Do Not Return.*

792 Return.

792.1 Endorsed and Unendorsed Pieces. Unless endorsed *Do Not Forward, Do Not Return,* all undeliverable fourth-class mail (after forwarding has been attempted) will be returned postage due to the sender (or the person designated by the sender) with the reason for nondelivery attached. No address correction fee is charged.

792.2 Pieces Bearing a Meter Stamp. When fourth-class mail bearing a postage meter stamp of a private mailer is received unaddressed and without return address, and delivery cannot be made, the piece must be returned to the post office of mailing. The reason for nondelivery will be attached without charging the address correction fee. The office of mailing will deliver the piece to the meter licensee on payment of the return postage.

793 Address Correction.

The addressee's new (forwarding) address, or the reason for nondelivery if the new address is not known, may be obtained by the sender either independently of or in combination with the return and forwarding services provided by 791 and 792. To obtain this service, the mailing piece must bear the endorsement: *Forwarding and Return Postage Guaranteed, Address Correction Requested;* or *Do Not Forward, Do Not Return, Address Correction Requested;* or *Do Not Forward, Address Correction Requested, Return Postage Guaranteed* according to the service desired. See Exhibit 159.151f for details. Temporary changes of address are not provided. The following conditions govern these services:

a. When a piece bears the endorsement *Do Not Forward, Do Not Return, Address Correction Requested;* Form 3579, *Undeliverable 2d, 3d, 4th Class Matter,* or a markup label is used to notify the sender. The address-correction fee is charged (See 712.2). Form 3579 or a markup label utilizing the customer's old address will be prepared for mailing to the sender in an envelope in the same manner that address correction notices are prepared for mailing to second-class publishers. *Exception:* When address labels are affixed to plastic wrappers, or a window-address format is used on a mail piece, making compliance with the foregoing instructions difficult, Form 3547, *Notice to Mailer of Correction in Address,* will be substituted to provide the requested information.

b. If a piece bearing the endorsement *Forwarding and Return Postage Guaranteed, Address Correction Requested* must be returned to the sender by the post office of original

address because the piece cannot be forwarded, Form 3579 or a markup label is affixed to the piece, and it is returned to the sender at the applicable single-piece fourth-class postage for the piece. No address correction fee is charged.

c. If a piece bearing the endorsement *Fowarding and Return Postage Guaranteed, Address Correction Requested* is forwarded to the addressee, then Form 3547 is used by the post office of original address to furnish the sender with the new address. The address correction fee is charged (see 712.2).

d. Forwarding address information will not be provided for mail bearing an exceptional address format (see 122.422).

A transmittal letter making these changes in the pages of the Domestic Mail Manual will be published and will be transmitted to subscribers automatically. Notice of issuance of the transmittal letter will be published in the Federal Register as provided by 39 CFR, 111.3.

Fred Eggleston,

Assistant General Counsel, Legislative Division.

[FR Doc. 87-29519 Filed 12-23-87; 8:45 am]

BILLING CODE 7710-12-M

GENERAL SERVICES ADMINISTRATION

41 CFR Part 101-7

[FPMR Temp. Reg. A-25, Supp. 3]

Travel and Transportation Expense Payment System Using Contractor-Issued Charge Cards, Government Travel System (GTS) Accounts, and Travelers Checks

AGENCY: Federal Supply Service, GSA.

ACTION: Temporary regulation.

SUMMARY: This supplement amends FPMR Temp. Reg. A-25 to extend the expiration date and to cancel supplement 2 thereto.

DATES:

Effective date: October 24, 1987.

Expiration date: September 30, 1988.

FOR FURTHER INFORMATION CONTACT: Mr. Charles T. Angelo, Director, Travel and Transportation Management Division (FBT), Washington, DC 20406 (FTS/(703) 557-1261).

SUPPLEMENTARY INFORMATION: GSA has determined that this rule is not a major rule for the purposes of Executive Order 12551 of February 17, 1981, because it is not likely to result in an annual effect on the economy of $100 million or more, a major increase in costs to consumers or others, or significant adverse effects. GSA has based all administrative decisions underlying this rule on adequate information concerning the need for, and consequences of, this rule, has determined that the potential benefits to society from this rule outweigh the potential costs and has maximized the net benefits; and has chosen the alternative approach involving the least net cost to society.

List of Subjects in 41 CFR Part 101-7

Freight, Government property, Moving of household goods, Office relocations, Transportation.

1. The authority citation for Part 101-7 continues to read as follows:

Authority: Sec. 205(c), 63 Stat. 390; 40 U.S.C. 486(c).

2. In 41 CFR Chapter 101, the following temporary regulation is added to the appendix at the end of Subchapter A to read as follows:

December 7, 1987.

Federal Property Management Regulations Temporary Regulation A-25, Supplement 3

To: Heads of Federal Agencies

Subject: Travel and transportation expense payment system using contractor-issued charge cards, Government travel system (GTS) accounts, and travelers checks.

1. *Purpose.* This supplement extends the expiration date of FPMR Temporary Regulation A-25.

2. *Effective date.* This regulation is effective October 24, 1987.

3. *Expiration date.* This supplement expires on September 30, 1988, unless sooner canceled or revised.

4. *Explanation of change.* The expiration date in paragraph 3 of FPMR Temporary Regulation A-25, Supplement 2, is revised to September 30, 1988.

T.C. Golden.

Administrator of General Services.

[FR Doc. 87-29441 Filed 12-23-87; 8:45 am]

BILLING CODE 6820-24-M

FEDERAL EMERGENCY MANAGEMENT AGENCY

44 CFR Part 64

[Docket No. FEMA 6771]

Suspension of Community Eligibility

AGENCY: Federal Emergency Management Agency, FEMA.

ACTION: Final rule.

SUMMARY: This rule lists communities, where the sale of flood insurance has been authorized under the National Flood Insurance Program (NFIP), that are suspended on the effective dates listed within this rule because of noncompliance with the floodplain management requirements of the program. If FEMA receives documentation that the community has adopted the required floodplain management measures prior to the effective suspension data given in this rule, the suspension will be withdrawn by publication in the Federal Register.

EFFECTIVE DATES: The third date ("Susp.") listed in the fourth column.

FOR FURTHER INFORMATION CONTACT: Frank H. Thomas, Assistant Administrator, Office of Loss Reduction, Federal Insurance Administration, (202) 646-2717, Federal Center Plaza, 500 C Street, Southwest, Room 416, Washington, DC 20472.

SUPPLEMENTARY INFORMATION: The National Flood Insurance Program (NFIP), enables property owners to purchase flood insurance at rates made reasonable through a Federal subsidy. In return, communities agree to adopt and administer local floodplain management measures aimed at protecting lives and new construction from future flooding. Section 1315 of the National Flood Insurance Act of 1968, as amended (42 U.S.C. 4022), prohibits flood insurance coverage as authorized under the National Flood Insurance Program (42 U.S.C. 4001-4128) unless an appropriate public body shall have adopted adequate floodplain management measures with effective enforcement measures. The communities listed in this notice no longer meet that statutory requirement for compliance with program regulations (44 CFR Part 59 *et. seq.*). Accordingly, the communities will be suspended on the effective date in the fourth column. As of that date, flood insurance will no longer be available in the community. However, some of these communities may adopt and submit the required documentation of legally enforceable floodplain management measures after this rule is published but prior to the actual suspension date. These communities will not be suspended and will continue their eligibility for the sale of insurance. A notice withdrawing the suspension of the communities will be published in the Federal Register. In the interim, if you wish to determine if a particular community was suspended on the suspension date, contact the appropriate FEMA Regional Office or the NFIP servicing contractor.

In addition, the Federal Emergency Management Agency has identified the

special flood hazard areas in these communities by publishing a Flood Hazard Boundary Map. The date of the flood map, if one has been published, is indicated in the fifth column of the table. No direct Federal financial assistance (except assistance pursuant to the Disaster Relief Act of 1974 not in connection with a flood) may legally be provided for construction or acquisition of buildings in the identified special flood hazard area of communities not participating in the NFIP and identified for more than a year, on the Federal Emergency Management Agency's initial flood insurance map of the community as having flood-prone areas. (Section 202(a) of the Flood Disaster Protection Act of 1973 (Pub. L. 93-234), as amended). This prohibition against certain types of Federal assistance becomes effective for the communities listed on the date shown in the last column.

The Administrator finds that notice and public procedure under 5 U.S.C. 553(b) are impracticable and unnecessary because communities listed in this final rule have been adequately notified. Each community receives a 6-month, 90-day, and 30-day notification addressed to the Chief Executive Officer that the community will be suspended unless the required floodplain management measures are met prior to the effective suspension date. For the same reasons, this final rule may take effect within less than 30 days.

Pursuant to the provision of 5 U.S.C. 605(b), the Administrator, Federal Insurance Administration, FEMA, hereby certifies that this rule if promulgated will not have a significant economic impact on a substantial number of small entities. As stated in Section 2 of the Flood Disaster Protection Act of 1973, the establishment of local floodplain management together with the availability of flood insurance decreases the economic impact of future flood losses to both the particular community and the nation as a whole. This rule in and of itself does not have a significant economic impact. Any economic impact results from the community's decision not to (adopt) (enforce) adequate floodplain management, thus placing itself in noncompliance of the Federal standards required for community participation. In each entry, a complete chronology of effective dates appears for each listed community.

List of Subjects in 44 CFR Part 64

Flood insurance, Floodplains.

Part 64—[AMENDED]

1. The authority citation for Part 64 continues to read as follows:

Authority: 42 U.S.C. 4001 *et. seq.*, Reorganization Plan No. 3 of 1978, E.O. 12127.

2. Section 64.6 is amended by adding in alphabetical sequence new entries to the table.

§ 64.6 List of eligible communities.

State	Location	Community No.	Effective dates of authorization/cancellation of sale of flood insurance in community	Current effective map date	Date certain Federal assistance no longer available in special flood hazard areas
			REGION I—REGULAR CONVERSIONS		
Massachusetts	Acton, town of, Middlesex County	250176	Mar. 24, 1972, Emerg., June 15, 1978, Reg., Jan. 6, 1988, Susp.	Jan. 6, 1988	Jan. 6, 1988.
			REGION II		
New York	Pamelia, town of, Jefferson County	360346	July 7, 1976, Emerg., July 30, 1982, Reg., Jan. 6, 1988, Susp.	do	Do.
			REGION IV		
Georgia	Chattahoochee County, unincorporated areas.	130293	Apr. 7, 1977, Emerg., Jan. 6, 1988, Reg., Jan. 6, 1988, Susp.	do	Do.
Florida	Columbia County, unincorporated areas	120070	Dec. 16, 1975, Emerg., Jan. 6, 1988, Reg., Jan. 6, 1988, Susp.	do	Do.
Do	Suwannee County, unincorporated areas.	120300	Feb. 14, 1975, Emerg., Jan. 6, 1988, Reg., Jan. 6, 1988, Susp.	do	Do.
Tennessee	Cocke County, unincorporated areas	470033	Mar. 14, 1978, Emerg., Jan. 6, 1988, Reg., Jan. 6, 1988, Susp.	do	Do.
			REGION V		
Illinois	Forsyth, village of, Macon County	171017	June 24, 1987, Emerg., Jan. 6, 1988, Reg., Jan. 6, 1988, Susp.	do	Do.
Michigan	Au Sable, township of, Iosco County	260098	May 25, 1973, Emerg., Jan. 6, 1988, Reg., Jan. 6, 1988, Susp.	do	Do.
Do	Hillsdale, city of, Hillsdale County	260086	May 12, 1975, Emerg., Jan. 6, 1988, Reg., Jan. 6, 1988, Susp.	do	Do.
Minnesota	Carver County, unincorporated areas	270049	Apr. 19, 1973, Emerg., Feb. 1, 1978, Reg., Jan. 6, 1988, Susp.	do	Do.
Do	Sibley County, unincorporated areas	270620	Apr. 11, 1974, Emerg., Jan. 6, 1988, Reg., Jan. 6, 1988, Susp.	do	Do.
Ohio	Garfield Heights, city of, Cuyahoga County.	390109	Sept. 18, 1970, Emerg., Jan. 6, 1988, Reg., Jan. 6, 1988, Susp.	do	Do.
			REGION VII		
Missouri	Forest City, city of, Holt County	290161	Oct. 24, 1975, Emerg., Jan. 6, 1988, Reg., Jan. 6, 1988, Susp.	do	Do.
Do	Mound City, city of, Holt County	290691	July 16, 1976, Emerg., Sept. 4, 1985, Reg., Jan. 6, 1988, Susp.	do	Do.
			REGION IX		
California	Colton, city of, San Bernardino County	060273	Jan. 15, 1974, Emerg., Sept. 17, 1980, Reg., Jan. 6, 1988, Susp.	do	Do.

State	Location	Community No.	Effective dates of authorization/cancellation of sale of flood insurance in community	Current effective map date	Date certain Federal assistance no longer available in special flood hazard areas
		REGION X			
Washington	Asotin, city of, Asotin County	530008	Apr. 7, 1975, Emerg., Jan. 6, 1988, Reg., Jan. 6, 1988, Susp.	do	Do.
		REGION II—MINIMAL CONVERSION			
New York	Richmondville, town of, Schoharie County.	361197	Sept. 12, 1975, Emerg., Jan. 1, 1988, Reg., Jan. 1, 1988, Susp.	do	Do.
		REGION II—REGULAR CONVERSIONS			
New York	Lodi, town of, Seneca County	360753	Sept. 21, 1976, Emerg., Jan. 15, 1987, Reg., Jan. 15, 1987, Susp.	Jan. 15, 1988	Jan. 15, 1988.
Do	Ovid, town of, Seneca County	360754	Jan. 12, 1976, Emerg., Jan. 15, 1988, Reg., Jan. 15, 1988, Susp.	do	Do.
		REGION III			
Pennsylvania	Chalfont, borough of, Bucks County	420184	Feb. 25, 1972, Emerg., Jan. 15, 1988, Reg., Jan. 15, 1988, Susp.	do	Do.
West Virginia	Greenbrier County, unincorporated areas.	540040	June 24, 1975, Emerg., Jan. 15, 1988, Reg., Jan. 15, 1988, Susp.	do	Do.
		REGION IV			
Alabama	Eufaula, city of, Barbour County	010011	Apr. 10, 1975, Emerg., Jan. 15, 1988, Reg., Jan. 15, 1988, Susp.	do	Do.
Do	Dothan, city of, Houston County	010104	Feb. 21, 1975, Emerg., Jan. 15, 1988, Reg., Jan. 15, 1988, Susp.	do	Do.
Georgia	Winder, city of, Barrow County	130234	Sept. 1, 1976, Emerg., Jan. 15, 1988, Reg., Jan. 15, 1988, Susp.	do	Do.
North Carolina	Banner Elk, town of, Avery County	370011	Nov. 13, 1974, Emerg., Jan. 15, 1988, Reg., Jan. 15, 1988, Susp.	do	Do.
		REGION V			
Ohio	Pike County, unincorporated areas	390450	Feb. 18, 1976, Emerg., Jan. 15, 1988, Reg., Jan. 15, 1988, Susp.	do	Do.
Do	Piketon, village of, Pike County	390451	June 25, 1975, Emerg., Jan. 15, 1988, Reg., Jan. 15, 1988, Susp.	do	Do.
Do	Port Washington, village of, Tuscarawas County.	390664	June 12, 1975, Emerg., Jan. 15, 1987, Reg., Jan. 15, 1987, Susp.	do	Do.
Do	Waverly, city of, Pike County	390452	Nov. 19, 1975, Emerg., Jan. 15, 1988, Reg., Jan. 15, 1988, Susp.	do	Do.
		REGION VI			
Louisiana	Calcasieu Parish, unincorporated areas	220037	Dec. 31, 1971, Emerg., Jan. 15, 1988, Reg., Jan. 15, 1988, Susp.	do	Do.
Do	Krotz Springs, town of, St. Landry Parish.	220170	May 30, 1973, Emerg., Jan. 15, 1988, Reg., Jan. 15, 1988, Susp.	do	Do.
Do	Basile, town of, Evangeline Parish	220065	Jan. 22, 1976, Emerg., Jan. 15, 1988, Reg., Jan. 15, 1988, Susp.	do	Do.
		REGION VIII			
Wyoming	Evanston, city of, Uinta County	560054	Mar. 23, 1977, Emerg., Jan. 15, 1988, Reg., Jan. 15, 1988, Susp.	Jan. 15, 1988	Do.
		REGION V—MINIMAL CONVERSION			
Michigan	Lexington, township of, Sanilac County	260718	Mar. 4, 1980, Emerg., Jan. 15, 1988, Reg., Jan. 15, 1988, Susp.	do	Do.

Code for reading fourth column: Emerg.—Emergency; Reg.—Regular; Susp.—Suspension.

Harold T. Duryee,

Administrator, Federal Insurance Administration.

[FR Doc. 87-29483 Filed 12-23-87; 8:45 am]

BILLING CODE 6718-03-M

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Family Support Administration

45 CFR Parts 206 and 233

Alien Legalization; Application, Determination of Eligibility and Furnishing Assistance-Public Assistance Programs, Coverage and Conditions of Eligibility in Financial Assistance Programs Alien Legalization

AGENCY: Family Support Administration, HHS.

ACTION: Interim final rules.

SUMMARY: These interim final rules implement provisions of the Immigration Reform and Control Act of 1986, Pub. L. 99-603, as they relate to the eligibility determination requirements of aliens applying for assistance payments under the Aid to Families with Dependent Children (AFDC) program, under title IV-A of the Social Security Act (the Act); and the adult assistance programs for the aged, blind, and disabled under titles I, X, XIV, and XVI (AABD) in

Guam, Puerto Rico, and the Virgin Islands.

DATES: The interim final rules are effective December 24, 1987. Interested persons and agencies are invited to submit written comments concerning these regulations no later than February 22, 1988. We will consider all comments submitted and revise these rules if necessary.

ADDRESSES: Comments should be submitted in writing to the Administrator, Family Support Administration, Department of Health and Human Services, 5600 North Building, 300 Independence Ave., SW., Washington, DC 20201, or delivered to the Office of Family Assistance, Family Support Administration, Room B-428, Trans Point Building, 2100 Second Street, SW., Washington, DC, 20201 between 8:00 a.m. and 4:30 p.m. on regular business days. Comments received may be inspected during these same hours by making arrangements with the contact person shown below.

FOR FURTHER INFORMATION CONTACT: Diann Dawson, Director, Division of Policy, Office of Family Assistance, Family Support Administration, Room B-424, 2100 Second Street SW., Washington, DC 20201, telephone (202) 245-3290.

SUPPLEMENTARY INFORMATION:

Legalization

Pursuant to section 245A(h) of the Immigration and Nationality Act (INA), as added by section 201 of the Immigration Reform and Control Act of 1986 (IRCA), Pub. L. 99-603, aliens who have continuously resided in the United States illegally since before January 1, 1982, can apply to the Immigration and Naturalization Service (INS) for an adjustment of their immigration status to that of lawful temporary resident. After a period of eighteen months in a temporary resident status, an alien can apply for adjustment to permanent resident status.

If the alien does not apply for such adjustment by the end of the thirty-first month after the alien is granted temporary resident status, or if adjustment is denied, the alien's status as a lawful temporary resident terminates, and the alien returns to an unlawful status.

Section 245A(h) explicitly disqualifies any alien who was granted lawful temporary resident status from eligibility for assistance payments under the AFDC program for a period of 5 years from the effective date of the receipt of such status. This disqualification period is maintained even though the temporary status may be changed to that of permanent status within the 5 year period. Accordingly, 45 CFR 233.50 is revised to indicate that this new group of aliens is temporarily disqualified from AFDC eligibility.

However, temporary resident alien applicants for assistance in the adult categories under title I, X, XIV and XVI (AABD) in Guam, Puerto Rico, and the Virgin Islands are not subject to the disqualification provisions of the statute. Cuban and Haitian entrants, as defined in paragraph (1) or (2)(A) of section 501(e) of Pub. L. 96-422, as in effect on April 1, 1983, whose status has been adjusted to that of lawful temporary resident are also not subject to the disqualification provision and, if otherwise eligible, are entitled to assistance.

IRCA section 302 adds new section 210 to the INA to provide for granting lawful temporary resident status and eventually permanent resident status to certain aliens who performed seasonal agricultural work in the United States during a specfied period of time. Special agricultural alien workers granted the temporary resident status are also temporarily disqualified for the 5 year period from assistance under the AFDC program; however, they are entitled to assistance, if otherwise eligible, under the adult programs in Guam, Puerto Rico, and the Virgin Islands.

In addition, IRCA section 121 amends section 1137 of the Social Security Act to provide that beginning October 1, 1988, as a condition of an individual's eligibility for assistance under the AFDC, territorial assistance, and Medicaid programs, a State must require an individual to declare in writing whether he is a citizen or national of the United States, and if not, whether he is in a satisfactory immigration status. An individual must produce documents to establish satisfactory immigration status and the State must verify the individual's status through an automated or other system made available by INS, unless the Secretary of HHS grants a waiver. Regulations implementing this section of IRCA will be published separately. The Department is also developing regulations to implement IRCA section 204, which appropriates funds for fiscal years 1988 through 1991 to reimburse the States for the costs of programs of public assistance, programs of public health assistance, and educational services provided to certain aliens whose status is adjusted under IRCA.

Disqualified aliens, pursuant to section 245A(h) of the Immigration and Nationality Act, who are either a parent or a sibling of an otherwise eligible child, will be excluded from assistance units in the same way that ineligible aliens have been excluded prior to the enactment of Public Law 99-603. However, IRCA section 201(b) provides that the income of a disqualified parent is considered available to his or her dependent child by using the stepparent deeming formula at section 402(a)(31) of the Social Security Act, 45 CFR 233.20(a)(3)(xiv). Accordingly, § 233.20 is revised to reflect this provision for deeming from the disqualified alien to his or her eligible child. Also, IRCA section 201(b) provides that where a disqualified alien is the brother or sister of a dependent child, the needs of the alien shall not be considered in determining the need of the dependent child. Therefore, 45 CFR 206.10 is revised to reflect that the needs and income of disqualified alien siblings are not considered in determining need of an otherwise eligible dependent child.

Regulatory Procedures

Justification for Dispensing with Notice of Proposed Rulemaking

The Administrative Procedure Act creates an exception to general notice and comment rulemaking procedures where the agency for good cause finds that those procedures are unnecessary. Since these regulations merely incorporate into current regulations the IRCA amendments to the Social Security Act without imposing additional obligations or requirements on States or the public, we believe notice and comment rulemaking is unnecessary. We are therefore implementing these regulations through interim final publication. In addition, this legislation was signed into law on November 6, 1986. INS has already implemented the application procedures for legalization in May 1987. Therefore interim final publication of these rules will assist States in handling applications for assistance from aliens whose status has been adjusted under IRCA.

Executive Order 12291

Executive Order 12291 requires that a regulatory impact analysis be performed for any "major" rule. A "major" rule is defined as any rule that would result in annual effect on the national economy of $100 million or more; result in a major

increase in costs or prices; or have significant adverse impacts on competition, employment, or productivity. The Department concludes that implementing the eligibility determination requirements of aliens for benefits of IRCA does not constitute a major rule within the meaning of E.O. 12291 because it does not have an effect on the economy of $100 million or more or otherwise meet the threshold criteria. The effect of the proposed rules is to promulgate the statutory provisions and other conforming procedures to effectively implement the requirements of the law. Any impacts on the economy are due to the IRCA statutory requirements and not as a result of these proposed rules. Accordingly, a regulatory impact analysis is not required.

Paperwork Reduction Act

These regulations do not have new recordkeeping or reporting requirements pursuant to the Paperwork Reduction Act of 1980.

Regulatory Flexibility Act

The Regulatory Flexibility Act requires that a regulatory flexibility analysis be performed for each rule with a significant economic impact on a substantial number of small entities. Small entities are defined by the Act to include small businesses, small non-profit organizations, and small government entities. The principal impact of these regulations are on States, which are not "small entities" within the meaning of the Act. We certify that this regulation will not, if promulgated, have a significant impact on a substantial number of small entities because it affects only the transfer of funds between the Federal Government and the States. Therefore, a regulatory flexibility analysis is not required.

(Catalog of Federal Domestic Assistance Program No. 13.780 Assistance Payments Maintenance Assistance)

List of Subjects

45 CFR Part 206

Grant programs—social programs, Public assistance programs.

45 CFR Part 233

Aliens, Grant programs—social programs, Public assistance programs, Reporting and recordkeeping requirements.

Date: September 10, 1987.

Wayne A. Stanton,

Administrator of Family Support Administration.

Date: December 3, 1987.

Otis R. Bowen,

Secretary of Health and Human Services.

Part 206 of Chapter II, Title 45, Code of Federal Regulations is amended as set forth below:

PART 206—APPLICATION, DETERMINATION OF ELIGIBILITY AND FURNISHING ASSISTANCE—PUBLIC ASSISTANCE PROGRAMS

1. The authority citation for Part 206 is revised to read as set forth below and the authority citations following all sections in Part 206 are removed:

Authority: Sections 402 and 1102 of the Social Security Act (42 U.S.C. 602 and 1302) and Pub. L. 97-248, 96 Stat. 324, and Pub. L. 99-603.

2. Section 206.10(a)(1)(vii)(B) is revised to read as follows:

§ 206.10 Application, determination of eligibility and furnishing of assistance.

(a) * * *

(1) * * *

(vii) * * *

(B) Any blood-related or adoptive brother or sister; *Exception:* needs and income of disqualified alien siblings, pursuant to § 233.50(c), are not considered in determining the eligibility and payment of an otherwise eligible dependent child.

* * * * *

Part 233 of Chapter II, Title 45, Code of Federal Regulations is amended as set forth below:

PART 233—COVERAGE AND CONDITIONS OF ELIGIBILITY IN FINANCIAL ASSISTANCE PROGRAMS

1. The authority citation for Part 233 is revised to read as set forth below and the authority citations following all the sections in Part 233 are removed:

Authority: Sections 1, 402, 406, 407, 1002, 1102, 1402, and 1602 of the Social Security Act (42 U.S.C. 301, 602, 606, 607, 1202, 1302, 1352 and 1382 note), and Sections 6 of Pub. L. 94-114, 89 Stat. 579 and Part XXIII of Pub. L. 97-35, 95 Stat. 843, Pub. L. 97-248, 96 Stat. 324, and Pub. L. 99-603.

2. Section 233.20 is amended by redesignating paragraph (a)(3)(vi) as (a)(3)(vi)(A) and adding paragraph (q)(3)(vi)(B) to read as follows:

§ 233.20 Need and amount of assistance.

(a) * * *

(3) * * *

(vi) * * *

(B) Income of an alien parent, who is disqualified pursuant to § 233.50(c) is considered available to the otherwise eligible child by applying the stepparent deeming formual at 45 CFR 233.20(a)(3)(xiv).

* * * * *

3. Section 233.50 is amended by adding a new paragraph (c) to read as follows:

§ 233.50 Citizenship and alienage.

* * * * *

(c) An alien granted lawful temporary resident status pursuant to section 201 or 302, of the Immigration Reform and Control Act of 1986 (Pub. L. 99-603) who must be either:

(1) A Cuban and Haitian entrant as defined in paragraph (1) or (2)(A) of section 501(e) of Pub. L. 96-422, as in effect on April 1, 1983, or

(2) An adult assistance applicant for OAA, AB, APTD, or AABD, or

(3) An applicant for AFDC who is not a Cuban and Haitian entrant applicant under (1) above who was adjusted to lawful temporary resident status more than five years prior to application.

All other aliens granted lawful temporary or permanent resident status, pursuant to sections 201 or 302 of the Immigration Reform and Control Act of 1986, are disqualified for five years from the date lawful temporary resident status is granted.

* * * * *

[FR Doc. 87-29536 Filed 12-23-87; 8:45 am]

BILLING CODE 4150-04-M

FEDERAL COMMUNICATIONS COMMISSION

47 CFR Part 73

[MM Docket No. 87-169; RM-5489, RM-5591, RM-6042]

Radio Broadcasting Services; Punta Gorda, Punta Rassa, and Franklin Park, FL

AGENCY: Federal Communications Commission.

ACTION: Final rule.

SUMMARY: This document substitutes Channel 225C2 for Channel 224A at Punta Gorda, Florida, and modifies the Class A license for Station WQLM(FM) to specify the new channel at the request of the licensee, Ogden Broadcasting Company of Florida, Inc.; and allots Channel 249A to Punta Rassa, Florida, in response to a petition by Sea Breeze Broadcasting for a first FM channel at that community. The counterproposal filed by Christine

Harvel to allot Channel 222A to Franklin Park, Florida, has been dismissed at her request. With this action, this proceeding is terminated.

DATES: Effective February 1, 1988. The window period for filing applications on Channel 249A at Punta Rassa, Florida will open on February 2, 1988, and close on March 3, 1988.

FOR FURTHER INFORMATION CONTACT: Montrose H. Tyree, Mass Media Bureau, (202) 634-6530.

SUPPLEMENTARY INFORMATION: This is a summary of the Commission's Report and Order, MM Docket No. 87-169, adopted December 2, 1987 and released December 17, 1987. The full text of this Commission decision is available for inspection and copying during normal business hours in the FCC Dockets Branch (Room 230), 1919 M Street, NW., Washington, DC. The complete text of this decision may also be purchased from the Commission's copy contractors, International Transcription Service (202) 857-3800, 2100 M Street, NW., Suite 140, Washington, DC 20037.

List of Subjects in 47 CFR Part 73.

Radio broadcasting.

1. The authority citation for Part 73 continues to read as follows:

Authority: 47 U.S.C. 154, 303.

§ 73.202 [Amended]

2. Section 73.202(b), the table of FM allotments is amended for Florida by adding Channel 225C2 at Punta Gorda, removing Channel 224A, and adding Punta Rassa, Channel 249A.

Federal Communications Commission.

Mark N. Lipp,

Chief, Allocations Branch, Policy and Rules Division, Mass Media Bureau.

[FR Doc. 87-29469 Filed 12-23-87; 8:45 am]

BILLING CODE 6712-01-M

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47 CFR Part 73

[MM Docket No. 87-29; RM-5594]

Radio Broadcasting Services; Eddyville, IA

AGENCY: Federal Communications Commission.

ACTION: Final rule.

SUMMARY: This document, at the request of "O"-Town Communications, allocates Channel 268C2 to Eddyville, Iowa, as the community's first local FM service. Channel 268C2 can be allocated in compliance with the Commission's minimum distance separation requirements with a site restriction of 2.8 kilometers (1.8 miles) northwest to avoid a short-spacing to the proposed allocation of Channel 269C2 to Fort Madison, Iowa. With this action, this proceeding is terminated.

DATES: Effective February 1, 1988. The window period for filing applications will open on February 2, 1988, and close on March 3, 1988.

FOR FURTHER INFORMATION CONTACT: Leslie K. Shapiro, Mass Media Bureau, (202) 634-6530.

SUPPLEMENTARY INFORMATION: This is a summary of the Commission's Report and Order, MM Docket No. 87-29, adopted December 2, 1988, and released December 17, 1988. The full text of this Commission decision is available for inspection and copying during normal business hours in the FCC Dockets Branch (Room 230), 1919 M Street, NW., Washington, DC. The complete text of this decision may also be purchased from the Commission's copy contractor, International Transcription Service, (202) 857-3800, 2100 M Street, NW, Suite 140, Washington, DC 20037.

List of Subjects in 47 CFR Part 73

Radio broadcasting.

PART 73—[AMENDED]

1. The authority citation for Part 73 continues to read as follows:

Authority: 47 U.S.C. 154, 303.

§ 73.202 [Amended]

2. Section 73.202(b), the FM Table of Allotments for Iowa is amended by adding Eddyville, Channel 268C2.

Federal Communications Commission.

Mark N. Lipp,

Chief, Allocations Branch, Policy and Rules Division, Mass Media Bureau.

[FR Doc. 87-29470 Filed 12-23-87; 8:45 am]

BILLING CODE 6712-01-M

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47 CFR Part 73

[MM Docket No. 86-379; RM-5429]

Radio Broadcasting Services; Frankfort, KY

AGENCY: Federal Communications Commission.

ACTION: Final rule.

SUMMARY: This document allots FM Channel 279A to Frankfort, Kentucky as that community's second FM channel in response to a petition filed by Allan Communications, Incorporated. With this action, this proceeding is terminated.

DATES: Effective February 1, 1988. The window period for filing applications will open on February 2, 1988, and close on March 3, 1988.

FOR FURTHER INFORMATION CONTACT: Montrose H. Tyree, Mass Media Bureau (202) 634-6530.

SUPPLEMENTARY INFORMATION: This is a summary of the Commission's Report and Order, MM Docket No. 86-379, adopted November 25, 1987, and released December 17, 1987. The full text of this Commission decision is available for inspection and copying during normal business hours in the FCC Dockets Branch (Room 230), 1919 M Street, NW., Washington, DC. The complete text of this decision may also be purchased from the Commission's copy contractors, International Transcription Service, (202) 857-3800, 2100 M Street, NW., Suite 140, Washington, DC 20037.

List of Subjects in 47 CFR Part 73

Radio broadcasting.

47 CFR Part 73—[AMENDED]

1. The authority citation for Part 73 continues to read as follows:

Authority: 47 U.S.C. 154, 303.

§ 73.202 [Amended]

2. Section 73.202(b), the table of FM allotments is amended by adding the entry of Channel 279A to Frankfort, Kentucky.

Federal Communications Commission.

Mark N. Lipp,

Chief, Allocations Branch, Mass Media Bureau.

[FR Doc. 87-29471 Filed 12-23-87; 8:45 am]

BILLING CODE 6712-01-M

DEPARTMENT OF TRANSPORTATION

National Highway Traffic Safety Administration

49 CFR Part 571

[Docket No. 81-11; Notice 24]

Lamps, Reflective Devices and Associated Equipment; Corrections

AGENCY: National Highway Traffic Safety Administration (NHTSA), DOT.

ACTION: Corrections.

SUMMARY: This notice corrects an error in the heading and an error in the text in the amendment published on September 14, 1987 to Federal Motor Vehicle Safety Standard No. 108 responsive to the petition by BMW of North America. The word "devises" was used instead of

"devices". Language previously removed from paragraph S4.1.1.36(a)(2) was erroneously reinstated. It is therefore necessary to correct these errors.

FOR FURTHER INFORMATION CONTACT: Jere Medlin, Office of Rulemaking, NHTSA, Washington, DC 20590 (202-366-5276).

SUPPLEMENTARY INFORMATION: On September 14, 1987, the agency amended paragraph S4.1.1.36(a)(2) of 49 CFR 571.108 Motor Vehicle Safety Standard No. 108, *Lamps, Reflective Devices, and Associated Equipment* (52 FR 34654) to permit aiming pad configurations specified for sealed beam headlamps with circular lenses to be used on replaceable bulb headlamps. This action was taken pursuant to a proposal published on February 25, 1987 (52 FR 5563). For clarity's sake the entire text of S4.1.1.36(a)(2) was published, and not just the changes or additions to it. In both the proposal and final rule the paragraph began with the words "(2) The exterior face of the lens of each replaceable bulb headlamp * * *.". However, S4.1.1.36(a)(2) had been amended in July 1986 to begin "(2) The lens of each replaceable bulb headlamp * * *." (51 FR 24152), and the words "exterior face of the" added on September 14 are incorrect and must be deleted.

In addition, the term "reflective devises" appeared in the title to the standard; the correct word is "devices".

Because the amendments are corrections they may be made effective immediately.

The engineer primarily responsible for this correction is Jere Medlin.

In consideration of the foregoing, 49 CFR Part 571 is amended as follows:

PART 571—[CORRECTED]

1. The authority citation for Part 571 continues to read as follows:

Authority: 15 U.S.C. 1392, 1401, 1403, 1407; delegation of authority at 49 CFR 1.50.

§ 571.108 [Corrected]

2. In the title of § 571.108, the word "devises" is changed to read "devices".

3. In the first sentence of paragraph (a)(2) of paragraph S4.1.1.36, the words "exterior face of the" are removed.

Issued on December 18, 1987.

Barry Felrice,

Associate Administrator for Rulemaking.

[FR Doc. 87-29525 Filed 12-23-87; 8:45 am]

BILLING CODE 4910-59-M

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

50 CFR Part 672

[Docket No. 61225-7052]

Groundfish of the Gulf of Alaska

AGENCY: National Marine Fisheries Service (NMFS), NOAA, Commerce.

ACTION: Notice of closure; request for comments.

SUMMARY: The Director, Alaska Region, NMFS (Regional Director), has determined that the shares of the total allowable catch (TAC) for sablefish that will be allocated to trawl gear in the Central and Western Regulatory Areas of the Gulf of Alaska for the 1988 fishing year are needed as bycatch amounts to support directed trawl fisheries for other groundfish species during the 1988 fishing year. The Secretary of Commerce is prohibiting directed fishing for sablefish in the Central and Western Regulatory Areas by persons using trawl gear during the 1988 fishing year. This action is necessary to prevent wastage of sablefish in the trawl fishery that would otherwise occur if the total share of the TAC assigned to trawl gear were reached prematurely, which would cause sablefish to be declared a prohibited species in the trawl fishery. This action is intended as a groundfish management measure that will conserve the sablefish resource.

DATES: Effective January 1, 1988. Comments are invited until January 15, 1988.

ADDRESSES: Comments should be addressed to Robert W. McVey, Director, Alaska Region (Regional Director), National Marine Fisheries Service, P.O. Box 021668, Juneau, Alaska 99802.

FOR FURTHER INFORMATION CONTACT: Ronald J. Berg (Fishery Management Biologists, NMFS), 907-586-7230.

SUPPLEMENTARY INFORMATION: The Fishery Management Plan for Groundfish of the Gulf of Alaska (FMP) governs the groundfish fishery in the exclusive economic zone in the Gulf of Alaska under the Magnuson Fishery Conservation and Management Act (Magnuson Act). Regulations implementing the FMP are at 50 CFR Part 672. Section 672.2 of the regulations defines the Western, Central, and Eastern Regulatory Areas in the Gulf of Alaska. The optimum yield for all groundfish species managed by the FMP is a range from 116,000 to 800,000 metric tons (mt). The Council adopted at its December 8-11, 1987 meeting, TACs for each species and apportionments thereof among domestic annual processing (DAP), joint venture processing (JVP), total allowable level of foreign fishing (TALFF), and reserves. TAC is synonymous with "target quota", a term proposed to be changed to "total allowable catch" under Amendment 16 to the FMP. This amendment is currently being reviewed by the Secretary of Commerce (Secretary) under Section 304 of the Magnuson Act. "Total allowable catch" is used in this notice to avoid confusion in the fishing industry, members of which are accustomed to this term. The Council has submitted the TACs and apportionments with the recommendation that the Secretary implement them. The Council adopted a TAC for sablefish equal to 28,000 mt, of which 12,540 mt and 4,060 mt will be distributed to the Central and Western Regualtory Areas, respectively. Under § 672.24(b)(2), twenty percent of the TAC in these two areas is allocated to vessels using trawl gear. Therefore, based on TAC's for the Central and Western Area that are proposed for 1988, these areas would be assigned 2,510 mt and 810 mt, respectively, of sablefish for trawl gear.

Some trawl vessels conduct directed fisheries for sablefish. Trawl vessels also conduct directed fisheries for pollock, Pacific cod, and flounders, and catch sablefish as a bycatch. Under § 672.24(b)(3)(i), if the Regional Director determines that the share of sablefish assigned to trawl gear in a regulatory area may be taken before the end of the year, the Secretary may prohibit directed fishing by vessels using trawl gear for the remainder of the year, thus saving some sablefish bycatch amounts to support other directed fisheries. Since sablefish bycatches would be retainable, wastage is reduced.

Under § 672.24(b)(3)(ii), if the share of the sablefish TAC assigned to trawl gear in either the Central or Western Regulatory Area is reached, further catches of sablefish must be treated as a prohibited species by trawl gear for the remainder of the year in the applicable management area. In this event, further catches are discarded at sea, which can result in substantial waste of an economically valuable groundfish resource.

In 1987, trawl vessels reached their allocated 1,760 mt share of sablefish in the Central Regulatory Area on May 5. From that date, operators of trawl vessels were required to discard sablefish until the end of the year. In the Western Regulatory Area where the sablefish trawl quota was 600 mt,

operators of trawl vessels were required to treat sablefish as a bycatch-only species after March 21, when the Regional Director prohibited further directed fishing for sablefish with trawl gear. Smaller amounts of effort in the Western Regulatory Area by trawl vessels and the smaller amounts of sablefish available in this area favored reduced sablefish catches such that sablefish were not declared a prohibited species in the Western Regulatory Area in 1987.

The Regional Director finds that directed fishing on sablefish by trawl vessels in the Gulf of Alaska is likely early in the 1988 fishing year. At the same time, he finds that sablefish bycatches by vessels fishing for other groundfish species using trawl gear will be quite high in both the Central and Western Regulatory Areas. If trawl vessels reach their sablefish assignments early, sablefish would be declared a prohibited species early in the year, and significant wastage would occur.

The Regional Director's findings are based in part on two facts. First, the price paid to fishermen for sablefish in 1987 was about $1.00 per pound, on average, and a price of this magnitude is expected in 1988, which will continue to attract significant trawl effort early in the year. Second, the Council adopted at its December 8–11, 1987 meeting, DAP quotas for pollock, Pacific cod, and flounder in the Central and Western Regulatory Areas, which are significantly higher than those in effect at the end of the 1987 fishing year. Since sablefish were declared a prohibited species in the Central Regulatory Area on May 5, 1987, and a bycatch-only species in the Western Regulatory Area on March 21, 1987, at levels of domestic fishing effort smaller than those expected in 1988, reaching all of the sablefish trawl assignment seems certain in the Central Regulatory Area and is highly likely in the Western Regulatory Area. If sablefish assignments are reached as early in the year as they were in 1987, further sablefish catches in the trawl fisheries would be required to be discarded, resulting in significant economic waste.

The Regional Director has determined that the amounts of sablefish expected to be assigned to trawl gear in the Central and Western Regulatory Areas, 2,510 mt and 810 mt, respectively, will be required to support directed trawl fishing for other groundfish species in 1988. Therefore, under § 672.24(b)(3)(i), the Secretary, in order to provide adequate bycatch amounts of sablefish to ensure continued groundfish fishing by trawl vessels on other species, is prohibiting directed fishing for sablefish as defined at § 672.2 by operators of trawl vessels during the 1988 fishing year.

The agency finds for good cause that it is impracticable and contrary to the public interest to provide prior notice and opportunity for comment or to delay the effectiveness of this action. This prohibition on directed fishing for sablefish with trawl gear must take effect by January 1, 1988 in order to minimize discards of sablefish as a prohibited species. Public comments on the necessity for this action are invited for a period of 15 days after the effective date of this notice. Public comments on this notice of closure may be submitted to the Regional Director at the address above until January 15, 1988. If written comments are received which oppose or protest this action, the Secretary will reconsider the necessity for this action, and as soon as practicable after that reconsideration, will either publish in the **Federal Register** a notice of continued effectiveness of the adjustment, responding to comments received; or modify or rescind the adjustment.

Classification

This action is taken under § 672.24 and is in compliance with Executive Order 12291.

List of Subjects in 50 CFR Part 672

Fisheries, Reporting and recordkeeping requirements.

(16 U.S.C. 1801 *et seq.*)

Dated: December 21, 1987.

Richard H. Schaefer,

Acting Director, Office of Fisheries Conservation and Management, National Marine Fisheries Service.

[FR Doc. 87–29551 Filed 12–23–87; 8:45 am]

BILLING CODE 3510-22-M

Proposed Rules

Federal Register
Vol. 52, No. 247
Thursday, December 24, 1987

This section of the FEDERAL REGISTER contains notices to the public of the proposed issuance of rules and regulations. The purpose of these notices is to give interested persons an opportunity to participate in the rule making prior to the adoption of the final rules.

DEPARTMENT OF ENERGY

10 CFR Parts 1035 and 1036

Non-procurement Debarment and Suspension

AGENCY: Department of Energy.

ACTION: Notice of proposed rulemaking.

SUMMARY: The Department of Energy (DOE) proposes establishment of a new regulation in 10 Code of Federal Regulations (CFR) Part 1036 for nonprocurement debarment and suspension which supercedes the coverage in 10 CFR Part 1035 as it relates to non-procurement debarment and suspension.[1] This rule is proposed in order to comply with Executive Order 12549 and is based on the Office of Management and Budget (OMB) final guidelines on non-procurement suspension and debarment issued on May 26, 1987.

DATE: To be assured of consideration, comments on the proposed rule must be received on or before February 22, 1988. Comments should refer to specific sections in the proposed rule.

ADDRESS: All written comments should be addressed to Department of Energy, Procurement and Assistance Management Directorate, Business Clearance Division (MA–441), 1000 Independence Avenue SW., Washington, DC 20585.

FOR FURTHER INFORMATION CONTACT:

Thomas Brown, Department of Energy; Procurement and Assistance Management Directorate (MA–441), 1000 Independence Avenue SW., Washington, DC 20585, (202) 586–9075

Carol A. Cowgill, Department of Energy, Office of the Assistant General Counsel for Procurement and Finance (GC–34), 1000 Independence Avenue SW., Washington, DC 20585, (202) 586–6902.

[1] For other documetns concerning non-procurement debarment and suspension see the Federal Register of Tuesday, October 20, 1987 (52 FR 39015–39062 and 39198–39204.

SUPPLEMENTARY INFORMATION:

Table of Contents

List of Subjects in 10 CFR Part 1036

I. Background

Executive Order 12549, "Debarment and Suspension," was signed by President Reagan on February 18, 1986 and was published February 21, 1986 (51 FR 6370–71).

On February 21, 1986, OMB published proposed guidelines covering the subjects indicated in section 6 of E.O. 12549, including: Coverage, Governmentwide criteria, and minimum due process procedures (51 FR 6372–79). This guidance was issued in regulation format as a model rule for use by the executive departments and agencies in preparing the agency regulations called for by section 3 of the Order.

The final guidelines were issued on May 26, 1987 and published May 29, 1987 (52 FR 20360–69).

II. Proposed Rule

Section 3 of E.O. 12549 directs Federal agencies to issue regulations governing implementation of the Order; the regulations must be consistent wtih these guidelines. DOE proposes to essentially adopt the OMB guidelines.

DOE's proposed rules implement section 3 of E.O. 12549 by:

(1) Prescribing the programs and activities that are covered by the Order;

(2) Prescribing the criteria and procedures that DOE shall use in implementing the Order;

(3) Providing for the listing of debarred and suspended participants, participants who voluntarily exclude themselves from participation in covered transactions, and participants declared ineligible; and

(4) Setting forth the consequences of the actions under paragraph (3) of this section.

There are two areas within the OMB guidelines, "Coverage" (§ 1036.110(a)(1)) and "Responsibilities of DOE" (§ 1036.505(e)) which allow for agency discretion. Public comments are especially invited on these two sections which are discussed below.

The scope of the final OMB guidelines published on May 29, 1987 covered direct and indirect costs but left to agency discretion whether to limit coverage (that is, the responsibility to check the consolidated list or certification) to items charged as direct costs. This notice limits coverage in § 1036.110(a)(1)) only to direct cost activities because extending coverage to indirect costs is administratively complicated and may impose additional paperwork burden on the public.

The guidelines published on May 29, 1987 allowed agency discretion to determine when agencies would require certification by prospective nonprocurement participants. The proposed rule in § 1036.505(e) permits certification by all prospective nonprocurement participants receiving awards of $25,000 or less which alleviates the need for participants to check the DOE and GSA lists. The $25,000 threshold is consistent with the small purchase threshold in the proposed Government-wide common rule for grants to state and local governments and with the Federal Acquisition Regulation (FAR). The proposed certification appears at § 1036.505(f).

DOE has supplemented the final OMB guidelines with existing DOE rules and procedures in §§ 1036.112, 1036.310, 1036.320, 1036.410, and Subpart F.

The existing DOE rules used to supplement the OMB guidelines were originally promulgated in 10 CFR Part 1035. A table showing which portions of 10 CFR Part 1035 were incorporated into the proposed 10 CFR Part 1036 is shown below. While most of the 10 CFR Part 1035 language is repeated verbatim some editorial changes have been made to make it consistent with Part 1036.

Existing 10 CFR Part 1035 Reference (sections)	Corresponding 10 CFR 1036 Reference (sections)
1035.2	1036.112
1035.5(c)	1036.310(a)
1035.6	1036.310(b)
1035.6 (a) thru (f)	1036.310(b) (1) thru (6)
1035.6(h)	1036.310(b)(7)
1035.9(a)(2)	1036.310(g)(ii)
1035.9(a)(5)	1036.310(g)(v)
1035.9(a)(9)	1036.310(g)(vi)
1035.9(a)(10)	1036.310(g)(vii)
1035.9(a)(11)	1036.310(g)(viii)
1035.10	1036.320

Existing 10 CFR Part 1035 Reference (sections)	Corresponding 10 CFR 1036 Reference (sections)
1035.5(c)	1036.410(a)
1035.6	1036.410(b)
1035.6 (a) thru (i)	1036.410(b) (1) thru (9)
1035.8	1036.600
1035.7	1036.605
1035.15	1036.610
1035.13	1036.615

The non-procurement debarment and suspension coverage in 10 CFR Part 1035 will be deleted at the time the proposed rule in 10 CFR Part 1036 becomes final.

Section 1036.325(a) indicates that if a suspension precedes a debarment, the suspension period may be considered in determing the debarment period. The suspension period may include the DOE-wide suspension during a proposed debarment (see § 1036.315) as well as a Governemnt-wide suspension.

III. Review Under the Executive Order 12291

Executive Order 12291 requires that a regulatory impact analysis be prepared for "major" rules which are defined in the Order as any rule that has an annual effect on the national economy of $100 million or more, or certain other specified effects.

DOE has determined that this regulation will not have an annual economic impact of $100 million or more or the other effects listed in the Order. For this reason, we have determined that this proposed rule is not a major rule within the meaning of the Order.

IV. Review Under the Regulatory Flexibility Act

The Regulatory Flexibility Act (5 U.S.C. 605(b)) requires that, for each rule with a "significant economic impact on a substantial number of small entities," an analysis be prepared describing the rule's impact on small entities and identifying any significant alternatives to the rule that would minimize the economic impact on small entities.

DOE has determined that this regulation will not have a significant economic impact on a substantial number of small entities. Consequently, no Regulatory Flexibilty Analysis has been or will be prepared.

V. Review Under the Paperwork Reduction Act

There are no information collection or recordkeeping burdens imposed by this rule.

VI. Review Under the National Environmental Policy Act

DOE has concluded that promulgation of this rule would not represent a major Federal action having significant impact on the human environment under the National Environmental Policy Act (NEPA) of 1969 (42 U.S.C. 4321 et seq. (1976)), the Council on Environmental Quality Regulations (40 CFR Parts 1500 through 1508), and the DOE guideline (10 CFR Part 1021) and, therefore, does not require an environmental impact statement or an environmental assessment pursuant to NEPA.

VII. Public Comments

Interested persons are invited to participate in this rulemaking by submitting data, views, or arguments with respect to the proposed changes set forth in this notice. Comments should be submitted in writing to the address indicated in the "ADDRESS" section of this notice. All comments received will be available for public inspection in the DOE Public Reading Room, Room 1E-190, Forrestal Building, 1000 Independence Ave., SW., Washington, DC 20585, between the hours of 9 a.m. and 4 p.m., Monday through Friday, except Federal holidays. All written comments received by February 22, 1988, will be fully considered prior to publication of a final rule resulting from this proposal.

The Department has concluded that this proposed rule does not involve a substantial issue of fact or law and that the proposed rule will not have a substantial impact on the nation's economy or a large number of individuals or businesses. Therefore, pursuant to Public Law 95-91, the DOE Organization Act, the Department does not plan to hold a public hearing on this proposed rule.

List of Subjects in 10 CFR Parts 1035 and 1036

Administrative practice and procedure, Debarment and suspension, Grants/energy, Cooperative agreements/energy, Loans/energy.

Berton J. Roth,

Director, Procurement and Assistance Management Directorate.

For the reasons set out in the preamble, Title 10 of the CFR is proposed to be amended as set forth below

1. Part 1036 is added to read as follows:

PART 1036—DEBARMENT AND SUSPENSION (NON-PROCUREMENT)

Subpart A—General

Sec.

Subpart B—Effect of Action

Subpart C—Debarment

Subpart D—Suspension

Subpart E—GSA Consolidated List; DOE Responsibilities

Subpart F—Additional DOE Procedures for Debarment and Suspension

Authority: Secs. 644 and 646, Pub. L. 95-91, Stat. 599 (42 U.S.C. 7254, and 7256); and Executive Order 12549 51 FR 6370, 3 CFR 1986 Comp., p. 189; OMB Guidelines for Non-procurement Debarment and Suspension, 52 FR 20360.

Subpart A—General

§ 1036.100 Purpose.

Executive Order 12549 provides that, to the extent permitted by law, Executive departments and agencies shall participate in a system for debarment and suspension from programs and activities involving Federal financial and nonfinancial assistance and benefits. Debarment or suspension of a participant in a program by one agency shall have Government-wide effect.

§ 1036.110 Scope.

(a) *Covered transactions.* These rules apply to Department of Energy (DOE) domestic assistance described below:

(1) *General.* Covered transactions (whether by a Federal agency, recipient, subrecipient, or intermediary) include, except as noted in paragraph (a)(3) of this section: grants, cooperative agreements, scholarships, fellowships, loans, loan guarantees, subsidies, insurance, payments for specified use,

and subcontracts and transactions at any tier that charged as direct costs, regardless of type (including subtier awards under awards which are statutory entitlement or mandatory awards); and specially covered activities identified in paragraph (a)(2) of this section.

(2) *Specially covered activities of the Departments of Agriculture, and Housing and Urban Development, and the Veterans Administration.* [Reserved]

(3) *Exceptions.* The following transactions are covered transactions: statutory entitlement or mandatory awards (but not subtier awards thereunder which are not themselves mandatory); benefits to an individual as a personal entitlement without regard to the individual's present responsibility (but benefits received in an individual's business capacity are not excepted); incidental benefits derived from ordinary governmental operations; and, other transactions where the application of Executive Order 12549 and these rules would be prohibited by law.

(b) *Relationship to other actions.* This section § 1036.110, describes the types of activities and transactions to which a debarment or suspension under the rules will apply. Subpart B, Effect of Action, § 1036.200, and Subpart F, § 1036.615 set forth the consequences of a debarment or suspension. Those consequences would apply only with respect to participants in the covered transactions and activities described in § 1036.110. Section 1036.330, Scope of debarment, and § 1036.420, Scope of suspension, govern the extent to which a specific participant or organizational elements of a participant would be automatically included within a debarment or suspension action, and the conditions under which additional affilates or persons associated with a participant may also be brought within the scope of the action.

(c) *Relationship to DOE acquisition activities.* Debarment and suspension of Federal procurement contractors and subcontractors are covered by the FAR, 48 CFR Subpart 9.4. Debarment and suspension of DOE procurement contractors is covered by the rules in 10 CFR Part 1035.

§ 1035.112 Applicability.

The provisions of this part apply to all covered transaction debarment and suspension actions initiated by DOE on or after the effective date of this part.

§ 1036.115 Policy.

(a) In order to protect the public interest, it is the policy of DOE to conduct business only with responsible persons. Debarment and suspension are discretionary actions that, taken in accordance with Executive Order 12549 and these rules, are appropriate means to effectuate this policy.

(b) Debarment and suspension are serious actions which shall be used only in the public interest and for the Federal Government's protection and not for purposes of punishment. DOE may impose debarment or suspension for the causes and in accordance with the procedures set forth in this part.

§ 1036.120 Definitions.

For purposes of this part—

"Adequate evidence" means information sufficient to support the reasonable belief that a participant's act or omission has occurred.

"Affiliate." Persons are affiliates of one another if, directly or indirectly, one owns, controls, or has the power to control the other, or a third person owns, controls, or has the power to control both.

"Agency" means any executive department, military department or defense agency or other agency of the executive branch, excluding the independent regulatory agencies.

"Awardee" means any organization of individual that:

(a) Submits proposals for, or is awarded, or reasonably may be expected to submit proposals for, or be awarded a DOE agreement; or

(b) Conducts business with DOE as an agent or representative of an awardee.

"Control" means the power to exercise, directly or indirectly a controlling influence over the management, policies, or activities of a person, whether through the ownership of voting securities, through one or more intermediary persons, or otherwise. For purposes of actions under these guidelines, a person who owns or has the power to vote more than 25 percent of the outstanding voting securities of another person, or more than 25 percent of total equity if the other person has no voting securities, is presumed to control. Such presumption may be rebutted by evidence to the contrary. Other indicia of control include, but are not limited to: Interlocking management or ownership; identity of interests among family members; shared facilities and equipment; common use of employees; and, establishment following the debarment, suspension, or other exclusion of a participant, of an organization or entity which is to operate in the same business or activity and to have substantially the same management, ownership, or principal employees as the debarred, suspended or excluded participant.

"Conviction" means a judgment or conviction of a criminal offense by any court of competent jurisdiction, whether entered upon a verdict or a plea, including a plea of nolo contendere.

"Debarment" means an action taken by the DOE debarring official in accordance with these rules to exclude a person from participating in covered transactions. A person so excluded is "debarred."

"Debarring official" means an agency head or a designee authorized by the agency head to impose debarment. The DOE debarring official is the Director, Procurement and Assistance Management Directorate.

"Director" means the Director, Procurement and Assistance Management Directorate, DOE.

"DOE" means the Department of Energy, including the Federal Energy Regulatory Commission.

"DOE List" means the DOE Consolidated List of Debarred, Suspended, Ineligible and Voluntarily Excluded Awardees maintained by DOE in accordance with § 1036.610 of this part.

"GSA List" means the GSA Consolidated List which is a list compiled, maintained and distributed by the General Services Administration (GSA) containing the names and other information about participants who have been debarred, suspended, or voluntarily excluded under Executive Order 12549 and these regulations and those who have been determined to be ineligible.

"Indictment" means an indictment for a criminal offense. An information or other filing by competent authority charging a criminal offense shall be given the same effect as an indictment.

"Ineligible" means excluded from participation in covered transactions, programs, or agreements pursuant to statutory, Executive order, or regulatory authority other than Executive Order 12549 and these rules; for example, excluded pursuant to the Davis-Bacon Act and its related statutes and implementing regulations, the Equal Employment Opportunity Acts and Executive orders, the Buy American Act of the Environmental Protection Acts and Executive orders.

"Legal proceedings" means any criminal proceeding or any civil judicial proceeding to which the Federal Government or a State or local government or quasi-governmental authority is a party. The term includes appeals from such proceedings.

"Notice" means a written communication served in person or sent by certified mail, return receipt

requested, or its equivalent, to the last known address of a party, its identified counsel, its agent for service or process, or any partner, officer, director, owner, or joint venturer of the party. Notice, if undeliverable, shall be considered to have been received by the addressee five days after being properly sent to the last address known by DOE.

"Participant" means any person who submits proposals for, receives an award or subaward or performs services in connection with, or reasonably may be expected to be awarded or to perform services in connection with, a covered transaction. This term also includes any person who conducts business with a Federal agency as an agent or representative of another participant.

"Person" means any individual, corporation, partnership, association, unit of government or legal entity however organized, including any subsidiary of any of the foregoing.

"Preponderance of the evidence" means proof by information that, compared with that opposing it, leads to the conclusion that the fact at issue is more probably true than not.

"Proposal" means a solicited or unsolicited bid, application, request, invitation to consider or similar communication by or on behalf of a person seeking a benefit, directly or indirectly, under a covered transaction.

"Respondent" means a person against whom a debarment or suspension action has been initiated.

"Subsidiary" means any corporation, partnership, association or legal entity however organized, owned or controlled by another person.

"Suspending official" means an agency head or a designee authorized by the agency head to impose suspension. The DOE suspending official is the Director, Procurement and Assistant Management Directorate.

"Suspension" means an action taken by the DOE suspending official in accordance with this part to immediately exclude a person from participating in covered transactions for a temporary period, pending completion of an investigation and such legal or debarment proceedings as may ensue. A person so excluded is "suspended."

"Voluntary exclusion" means a status of nonparticipation or limited participation in covered transactions assumed by a person pursuant to the terms of a settlement.

Subpart B—Effect of Action

§ 1036.200 Debarment or suspension.

(a) Except to the extent prohibited by law, a person's debarment or suspension shall be effective throughout the executive branch of the Federal Government. Except as provided in § 1036.215, persons who are debarred or suspended under these rules are excluded from participation in all covered transactions of all agencies for the period of their debarment or suspension. DOE and DOE participants shall not make awards to or agree to participation by such debarred or suspended persons during such period. (See also § 1036.615)

(b) In addition, persons who are debarred or suspended are excluded from participation in or under any covered transaction in any of the following capacities; as an owner or partner holding a controlling interest, director, or officer of the participant; as a principal investigator, project director, or other position involved in management of the covered transaction; as a provider of federally-required audit services; in any other position to the extent that the incumbent is responsible for the administration of Federal funds; or in any other position charged as a direct cost under the covered transaction.

§ 1036.205 Voluntary exclusion.

Participants who accept voluntary exclusions under § 1036.320 are excluded in accordance with the terms of their settlement; their listing, pursuant to Subpart E of this part, is for informational purposes. Awarding agencies and participants must contact DOE to ascertain the extent of the exclusion.

§ 1036.210 Ineligible persons.

Persons who are ineligible are excluded from participation in covered transactions, programs, or agreements in accordance with the applicable statutory, executive order, or regulatory authority.

§ 1036.215 Exception provision.

DOE may grant an exception permitting a debarred, suspended, or excluded person to participate in a particular transaction upon a written determination by the Director setting forth the compelling reason(s) for deviating from the Presidential policy established by Executive Order 12549. Exceptions to this policy shall be granted only infrequently. Exceptions shall be reported in accordance with § 1036.505.

§ 1036.220 Continuation of current awards.

(a) Notwithstanding the debarment, suspension, voluntary exclusion or ineligible status of any person, DOE and DOE participants may continue agreements in existence at the time the person was debarred, suspended, declared ineligible or voluntarily excluded. A decision as to the type of termination action, if any, to be taken should be made only after thorough review to ensure the propriety of the proposed action.

(b) DOE and DOE participants shall not make continuation or renewal awards or extend the duration of current agreements with any person who is debarred, suspended, declared ineligible or under a voluntary exclusion, except as provided in § 1036.215.

§ 1036.225 Failure to adhere to restrictions.

Doing business with a debarred, suspended or otherwise excluded person, in connection with a covered transaction, where it is known or reasonably should have been known that the person is debarred, suspended or otherwise excluded from participation in such transaction, except as permitted under these rules, may result in disallowance of costs, annulment or termination of award, issuance of a stop work order, debarment or suspension, or other remedies as appropriate.

Subpart C—Debarment

§ 1036.300 General.

The debarring official may debar a participant for any of the causes in § 1036.305, using procedures established in accordance with §§ 1036.310, 1036.600, and 1036.605. The existence of a cause for debarment, however, does not necessarily require that the participant be debarred; the seriousness of the participant's acts or omissions and any mitigating factors shall be considered in making any debarment decision.

§ 1036.305 Causes for debarment.

Debarment may be imposed in accordance with the provisions of §§ 1036.300, 1036.310, 1036.600, and 1036.605 for:

(a) Conviction of or civil judgment for any offense indicating a lack of business integrity or honesty which affects the present responsibility of a participant, including but not limited to:

(1) Fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public or private agreement;

(2) Bribery, embezzlement, false claims, false statements, falsification or destruction of records, forgery, obstruction of justice, receiving stolen property, or theft; or

(3) Unlawful price fixing between competitors, allocation of customers between competitors, bid rigging, or any other violation of Federal or State antitrust laws that relates to the submission of bids or proposals.

(b) Violation of the terms of a public agreement so serious as to affect the present responsibility of a participant, including but not limited to:

(1) A willful or material failure to perform under one or more public agreements;

(2) A history of substantial noncompliance with the terms of one or more public agreements; or

(3) A willful or material violation of a statutory or regulatory provision or requirement applicable to a public agreement.

(c) Any of the following causes:

(1) Debarment or equivalent exclusionary action by any public agency or instrumentality for causes substantially the same as provided for by § 1036.305;

(2) Doing business with a debarred; suspended or otherwise excluded person, in connection with a covered transaction, where it is known or reasonably should have been known that the person is debarred, suspended or otherwise excluded from participation in such transactions;

(3) Conduct indicating a lack of business integrity or honesty which affects the present responsibility of a participant;

(4) Loss or denial or the right to do business or practice a profession under circumstances indicating a lack of business integrity or honesty or otherwise affecting the present responsibility or a participant;

(5) Failure to pay a debt (including disallowed costs and overpayments) owed to DOE or instrumentality, provided the debt is uncontested by the debtor or, if contested, provided that the debtor's legal and administrative remedies have been exhausted; or

(6) Violation of a material provision of a voluntary exclusion or of any settlement of a debarment or suspension action.

(d) Any other cause of so serious or compelling a nature that it affects the present responsibility of a participant.

§ 1036.310 Procedures for debarment.

(a) *Investigation and referral.* DOE offices responsible for the award and administration of agreements are responsible for reporting to both the Procurement and Assistance Management Directorate and the Inspector General, DOE, information about possible fraud, waste, abuse, or other wrongdoing which may constitute or contribute to a cause(s) for debarment or suspension under this part. Participants and persons performing under agreements awarded by DOE shall be required to report such information to the contracting officer and to the Inspector General, DOE.

(b) *Proposed debarment notices.* When the Director, after consultation with legal counsel, determines that causes exist to propose debarment of a participant or affiliate, the Director shall send the respondent a notice containing, as appropriate, the following information:

(1) That a debarment is being proposed.

(2) The reasons for the proposed debarment in terms sufficient to put the respondent on notice of the conduct or transaction(s) upon which the proposed debarment is based, except that the notice shall omit any information which, if disclosed, would prejudice an ongoing civil or criminal investigation or a pending or contemplated legal proceeding, or would compromise national security.

(3) The cause(s) relied upon under § 1036.305 of this part for the proposed debarment.

(4) That within 30 days after receipt of the notice, the respondent may submit, or make a written request for an opportunity to submit, to the Director or designee, information and argument in opposition to the proposed debarment, including any additional specific information that may raise a genuine dispute over the material facts. The submission in opposition may be made in person, in writing, or through a representative.

(5) DOE's procedures governing debarment decisionmaking (see § 1036.600).

(6) The effects of the proposed debarment (§ 1036.315) and the effects of a final debarment (§ 1036.615). If a notice of proposed debarment is issued to a participant or affiliate who is not suspended, the notice shall state that, for purposes of affected DOE agreements and subagreements, the proposed debarment shall have the effect of a suspension for DOE only.

(7) The respondent's name and address have been placed on the DOE List and the GSA List.

(c) *Submission in opposition.* Within 30 days after receipt of the notice of proposed debarment, the respondent may submit, in person, in writing, or through a representative, information and argument in opposition to the proposed debarment. A request for a meeting should be sent to the Director. (See § 1036.600(c)).

(d) *Additional proceedings as to disputed material facts.* (1) In actions not based upon a conviction or judgment, if the Director determines that there exists a genuine dispute over facts material to the proposed debarment, respondent(s) shall be afforded an opportunity to appear, *pro se* or with counsel, submit documentary evidence, present witnesses, and confront any person DOE presents. (See § 1036.600(d)).

(2) [Reserved]

(e) *Debarring official's decision*—(1) *No additional proceedings necessary.* In actions based upon a conviction or judgment, or in which there is no genuine dispute over material facts, the Director shall make a decision on the basis of all the information in the administrative record, including any submissions made by the respondent. The decision shall be made within 45 days after receipt of any information and argument submitted by the respondent, unless the debarring official extends this period for good cause.

(2) *Additional proceedings necessary.* In actions in which additional proceedings are necessary to determine disputed material facts, the Director shall base the decision on the facts as found, together with any information and argument submitted by the respondent and any other information in the administrative record.

(f) *Standard of evidence.* In any contested action, the cause for debarment must be established by a preponderance of the evidence. In any contested action in which the proposed debarment is based upon a conviction or civil judgment, the standard shall be deemed to have been met.

(g) *Notice of debarring official's decision.* (1) If the Director decides to impose debarment, the respondent shall be given prompt notices.

(i) Referring to the notice of proposed debarment, the meeting, and the fact-finding conference;

(ii) The Director's findings of fact and conclusions of law;

(iii) Specifying the reasons for debarment;

(iv) Stating the period of debarment, including effective dates; and

(v) Advising that the debarment is effective for covered transactions throughout the executive branch of the Federal Government unless an agency head or a designee authorized by an agency head makes the determination referred to in § 1036.215. The decision may limit the debarment or suspension action to affected covered transactions involving particular commodities, products, services, or forms of energy, or

to projects or work performed in specified geographic regions;

(vi) The names and addresses of the respondents that will be placed on the DOE List;

(vii) A copy of the debarment notice was sent to GSA and that the respondent's name and address will be addressed to the GSA List; and

(viii) If less than an entire organization is debarred, the identity or description of the organizational element(s) or individual(s) included within the scope of the debarment.

(2) If the Director decides not to impose debarment, the respondent shall be given prompt notice of that decision. A decision not to impose debarment shall be without prejudice to a subsequent imposition of debarment by any other agency.

§ 1036.315 Effect of proposed debarment.

Upon issuance of a notice of proposed debarment and until the final debarment decision is rendered, DOE shall not make any new, continuation, or renewal awards to the respondent. DOE may waive this exclusion pending a debarment decision upon a written determination by the debarring official identifying the reasons for doing so. In the absence of such a waiver, the provisions of § 1036.215 allowing exceptions for particular transactions may be applied.

§ 1036.320 Voluntary exclusion.

At any time prior to the issuance of a final decision under § 1036.310(e), the Director may, in the public interest, agree, in writing, to terminate a suspension or withdraw a proposed debarment on the conditions that the respondent voluntarily refrain from attempting to obtain, and from entering into, one or more types of DOE or other Federal covered transactions. Failure to observe such conditions shall be an independent cause for debarment or suspension. The name and address of the respondent who is a party to a voluntary exclusion shall be placed on the DOE List and GSA List. The Director shall not enter into a voluntary exclusion if the proposed debarment is based on conviction of or civil judgment for any of the causes in § 1036.305(a), or if the suspension was based on an indictment for any of the causes in § 1036.205(a).

§ 1036.325 Period of debarment.

(a) Debarment shall be for a period commensurate with the seriousness of the cause(s). Generally, a debarment should not exceed three years. Where circumstances warrant, a longer or indefinite period of debarment may be imposed. If a suspension precedes a debarment, the suspension period may be considered in determining the debarment period.

(b) The Director may extend an existing debarment for an additional period, if that official determines that an extension is necessary to protect the public interest. However, a debarment may not be extended solely on the basis of the facts and circumstances upon which the initial debarment action was based. If debarment for an additional period is determined to be necessary, the procedures of § 1036.310 shall be followed to extend the debarment.

(c) The Director may reduce the period or scope of debarment, upon the respondent's request, supported by documentation, for reasons such as:

(1) Newly discovered material evidence;

(2) Reversal of the conviction or judgment upon which the debarment was based;

(3) Bona fide change in ownership or management;

(4) Elimination of other causes for which the debarment was imposed; or

(5) Other reasons the Director deems appropriate.

§ 1036.330 Scope of debarment.

(a) *Scope in general.* (1) Debarment of a person or affiliate under these rules constitutes debarment of all its subsidiaries, divisions, and other organizational elements unless the debarment decision is limited by its terms to one or more specifically identified individuals or organizational elements or to specific types of transactions.

(2) The debarment action may include any other affiliate of the participant that is—

(i) Specifically named and

(ii) Given notice of the proposed debarment and an opportunity to respond.

(See § 1306.310).

(b) *Imputing conduct.* For purposes of determining the scope of debarment, conduct may be imputed as follows:

(1) *Conduct imputed to participant.* The fraudulent, criminal, or other seriously improper conduct of any officer, director, shareholder, partner, employee, or other individual associated with a participant may be imputed to the participant when the conduct occurred in connection with the individual's performance of duties for or on behalf of the participant, or with the participant's knowledge, approval, or acquiescence. The participant's acceptance of the benefits derived from the conduct shall be presumptive evidence of such knowledge, approval, or acquiescence.

(2) *Conduct imputed to individuals associated with participant.* The fraudulent, criminal or other seriously improper conduct of a participant may be imputed to any officer, director, shareholder, partner, employee, or other individual associated with the participant who participated in, knew of, or had reason to know of the participant's conduct.

(3) *Conduct of one participant imputed to other participants in a joint venture.* The fraudulent, criminal or other seriously improper conduct of one participant in a joint venture or similar arrangement may be imputed to other participants if the conduct occurred for or on behalf of the joint venture or similar arrangement or with the knowledge, approval, or acquiescence of these participants. Acceptance of the benefits derived from the conduct shall be presumptive evidence of such knowledge, approval or acquiesence.

Subpart D—Suspension

§ 1036.400 General.

(a) The suspending official may suspend a participant for any of the causes in § 1036.405 using procedures established in accordance with §§ 1036.410, 1036.600 and 1036.605.

(b) Suspension is a serious action to be imposed on the basis of adequate evidence of one or more of the causes set out in § 1036.405 when it has been determined that immediate action is necessary to protect the public interest.

§ 1036.405 Causes for suspension.

(a) Suspension may be imposed in accordance with the provisions of §§ 1036.400, 1036.410, 1036.600, and 1036.605 upon adequate evidence:

(1) To suspect the commission of an offense listed in § 1036.305(a); or

(2) That a cause for debarment under § 1036.305 may exist.

(b) Indictment shall constitute adequate evidence for purposes of suspension actions.

§ 1036.410 Procedures for suspension.

(a) *Investigation and referral.* DOE offices responsible for the award and administration of covered transactions are responsible for reporting to both the Procurement and Assistance Management Directorate and the Inspector General, DOE, information about possible fraud, waste, abuse, or other wrongdoing which may constitute or contribute to a cause(s) for debarment or suspension under this part. Participants and persons performing under covered transactions awarded by DOE shall be required to report such information to the

contracting officer and to the Inspector General, DOE.

(b) *Suspension notice.* When the Director, after consultation with legal counsel, determines that causes exist to suspend or propose debarment of an awardee or affiliate, the Director shall send the awardee or affiliate a notice containing, as appropriate, the following information:

(1) That a decision to suspend has been made.

(2) The reasons for the suspension in terms sufficient to put the respondent on notice of the conduct, transaction(s), or other adequate evidence upon which the suspension is based, except that the notice shall omit any information which, if disclosed, would prejudice an ongoing civil or criminal investigation or a pending or contemplated legal proceeding, or would compromise national security.

(3) The cause(s) relied upon under § 1036.405 of this part for the suspension.

(4) That within 30 days after receipt of the notice, the respondent may submit, or make a written request for an opportunity to submit, to the Director or designee, information and argument in opposition to the suspension, including any additional specific information that may raise a genuine dispute over the material facts. The submission in opposition may be made in person, in writing, or through a representative.

(5) DOE's procedures governing suspension decision-making (see § 1036.600).

(6) The effects of the suspension (see §§ 1036.315, and 1036.615).

(7) That the suspension is effective as of the date of the notice.

(8) The respondent's name and address have been placed on the DOE List.

(9) That a copy of the suspension notice was sent to GSA, and that the respondent's name will be added to the GAS List.

(c) *Submission in opposition.* Within 30 days after receipt of the notice of suspension, the respondent may submit, in person, in writing, or through a representative, information and argument in opposition to the suspension. A request for a meeting should be sent to the Director. (See § 1036.600(c).)

(d) *Additional proceedings as to disputed material facts.* (1) If it is found that there exists a genuine dispute over facts material to the suspension, respondent(s) shall be afforded an opportunity to appear *pro se* or with counsel, submit documentary evidence, present witnesses, and confront any person the DOE presents (See § 1036.600(d)), unless—

(i) The action is based on an indictment, conviction or judgment, or

(ii) A determination is made, on the basis of Department of Justice advice, that the substantial interests of the Federal Government in pending or contemplated legal proceedings based on the same facts as the suspension would be prejudiced. (See § 1036.605.)

(2) [Reserved]

(e) *Suspending official's decision.* The Director may modify or terminate the suspension (for example, see § 1036.325(c) for the reasons for reducing the period or scope of debarment) or may leave it in force. Howver, a decision to modify or terminate the suspension shall be without prejudice to the subsequent imposition of suspension by any other agency or debarment by any agency. The decision shall be rendered in accordance with the following provisions:

(1) *No additional proceedings necessary.* In actions (i) based on an indictment, conviction, or judgement, (ii) in which there is no genuine dispute over material facts, or (iii) in which additional proceedings to determine disputed material facts have been denied, the Director shall make a decision on the basis of all the information in the administrative record, including any submission made by the respondent. The decision shall be made within 45 days after receipt of any information and argument submitted by the respondent, unless the suspending official extends this period for good cause.

(2) *Additional proceedings necessary.* In actions in which additional proceedings are necessary to determine disputed material facts, the Director shall base the decision on the facts as found, together with any information and argument submitted by the respondent and any other information in the administrative record.

(f) *Notice of suspending official's decision.* Prompt written notice of the Director's decision shall be sent to the respondent and any affiliates involved.

§ 1036.415 Period of suspension.

(a) Suspension shall be for a temporary period pending the completion of investigation and any ensuing legal or debarment proceedings, unless terminated sooner by the Director or as provided in paragraph (b) of this section.

(b) If legal or debarment proceedings are not initiated within 12 months after the date of the suspension notice, the suspension shall be terminated unless an Assistant Attorney General requests its extension, in which case it may be extended for an additional six months. In no event may a suspension extend beyond 18 months, unless such proceedings have been initiated within that period.

(c) The Director shall notify the Department of Justice of an impending termination of a suspension, at least 30 days before the 12-month period expires, to give that Department an opportunity to request an extension.

§ 1036.420 Scope of suspension.

The scope of a suspension shall be the same as the scope of debarment (see § 1036.330, except that the procedures of § 1036.410 shall be used in imposing a suspension.

Subpart E—GSA Consolidated List; DOE Responsibilities

§ 1036.500 GSA List.

(a) OMB has designated GSA to compile, maintain, and distribute a list of all participants who have been debarred, suspended, or voluntarily excluded under Executive Order 12549 and these rules, and those who have been determined to be ineligible.

(b) At a minimum, this list indicates:

(1) The names and addresses of all debarred, suspended, voluntarily excluded, and ineligible participants in alphabetical order, with cross-references when more than one name is involved in a single action;

(2) The type of action;

(3) The cause for the action;

(4) The scope of the action;

(5) Any termination date for each listing; and

(6) The agency and name and telephone number of the agency point of contact for the action.

§ 1036.505 Responsibilities of DOE.

(a) The DOE liaison who shall be responsible for providing GSA with current information concerning debarments, suspensions, voluntary exclusions and ineligibilities taken by that agency is the Director, Office of Clearance and Support, Procurement and Assistance Management Directorate. Until February 18, 1989, the liaison shall also provide GSA and OMB with information concerning all transactions in which the agency has granted exceptions under § 1036.215 permitting participation by debarred, suspended, or excluded persons.

(b) Unless an alternative schedule is agreed to by GSA, DOE shall advise GSA of the information set forth in § 1036.500(b) and of the exceptions granted under § 1036.215 within five working days after taking such actions.

(c) DOE procedures to provide for the effective dissemination and use of the DOE list and the GSA list in order to ensure that listed persons do not participate in any covered transaction in a manner inconsistent with that person's listed status, except as otherwise provided in this rule, are provided in § 1036.615.

(d) DOE shall direct inquiries concerning listed persons to the agency that took the action.

(e) DOE permits prospective participants receiving covered transactions at or below the threshold of $25,000 to certify whether the participant, or any person acting in a capacity listed in § 1036.200(b) with respect to the participant or the particular covered transaction, is currently or within the preceding three years has been:

(1) Debarred, suspended or declared ineligible;

(2) Formally proposed for debarment, with a final determination still pending;

(3) Voluntarily excluded from participation; or

(4) Indicted, convicted, or has a civil judgement rendered against them for any of the offenses listed in § 1036.305(a).

Adverse information on the certification need not necessarily result in denial of participation.

(f) In lieu of checking the DOE and the GSA lists, Participants may require prospective participants to submit the following certification for covered transactions at or below the threshold of $25,000:

Certification Regarding Debarment and Suspension

The Participant certifies to the best of its knowledge and belief, that:

(a) The Participant, or any person acting in a capacity specified in (b) below, currently or within the preceding three years

(1) Is or has ( ) is not and has not ( ) been debarred, suspended or declared ineligible

(2) Has ( ) has not ( ) been formally proposed for debarment with a final determination still pending

(3) Has ( ) has not ( ) been voluntarily excluded from participation

(4) Has ( ) has not ( ) been indicted, convicted, or had a civil judgement rendered against them for:

(i) Fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public or private agreement; or

(ii) Bribery, embezzlement, false claims, false statements, falsification or destruction of records, forgery, obstruction of justice, receiving stolen property, or theft; or

(iii) Unlawful price fixing between competitors, allocation of customers between competitors, bid rigging, or any other violation of Federal or State antitrust laws that relates to the submission of bids or proposals.

(b) "Persons", for the purpose of this certification, means individuals in or under any covered transaction in any of the following capacities; as an owner or partner holding a controlling interest, director, or officer of the participant; as a principal investigator, project director, or other position involved in management of the covered transaction; as a provider of federally-required audit services; in any other position to the extent that the incumbent is responsible for the administration of Federal funds; or in any other position charged as a direct cost under the covered transaction.

Subpart F—Additional DOE Procedures for Debarment and Suspension

§ 1036.600 Decisionmaking.

(a) *Definitions.* (1) "Fact-finding panel" means a three-member panel appointed by the Director to conduct a fact-finding conference under paragraph (d) of this section. This panel shall consist of an office director within the Procurement and Assistance Management Directorate, a senior attorney nominated by the General Counsel or designee, and a senior official of a program or other office of the Department.

(2) For purposes of this section, "timely" means mailed or delivered to the Director not later than 30 days after the date of the notice under § 1036.310(b)(1) or § 1036.410(b)(1) or on or before such later date as may be specified in the notice. If the postmark date is affixed by a postage meter and DOE receives the document more than five days after the post-mark date, the date of receipt shall be used to determine timeliness.

(b) *Written response.* A timely written response to a notice of suspension or proposed debarment may contain any or all of the following:

(1) A request for a meeting with the Director or designee (§ 1036.600(c));

(2) A request for a fact-finding conference (§ 1036.600(d)); and

(3) Information and argument in opposition to the suspension or proposed debarment including identification of disputed material facts. If the respondent fails to submit a timely written response to a notice of suspension or proposed debarment, the Director shall notify the respondent in accordance with § 1036.310(b)(6) or § 1036.410(b)(5) that the awardee remains suspended, or that the awardee is debarred, as applicable.

(c) *Meeting.* Upon receipt of a timely request therefor, the Director shall schedule a meeting with the Director or designee and the respondent, no later than 30 days from the date the request is received. The Director or designee may postpone the date of the meeting if the respondent requests a postponement in writing.

(1) At the meeting, the respondent, appearing personally or through an attorney or other authorized representative, may informally present and explain evidence that causes for suspension or debarment do not exist, evidence of any mitigating factors, and arguments concerning the imposition, scope, duration, or effects of a suspension, proposed debarment, or debarment. The respondent may offer or explain a previous offer to agree to a voluntary exclusion (§ 1036.205) at the meeting.

(2) Any written information or arguments submitted at or in connection with the meeting shall be included in the administrative record. The Director shall not be required to make a transcript of the meeting.

(3) Within two weeks following the date of the meeting, the Director shall send a notice to the respondent containing the following information:

(i) Names, organizational affiliations, titles, addresses, and telephone numbers of all individuals who attended;

(ii) A brief description of each document submitted by the respondent;

(iii) A summary of the issues discussed; and

(iv) A statement describing the action the Director has taken or proposes to take.

(d) *Fact-finding conference.* The purposes of a fact-finding conference under this section are to provide the respondent an opportunity to dispute material facts and to make arguments realted to a suspension or proposed debarment, and to provide the Director with proposed findings of fact based, as applicable. on adequate evidence or on a preponderance of the evidence.

(1) *Appointment of fact-finding panel and notice to respondent.* If the Director determines that a written response or a presentation at the meeting puts material facts in dispute, the Director shall appoint a fact-finding panel. (See § 1036.310(d)) Upon appointment, the panel shall notify the respondent that the case has been referred to the panel

and shall schedule a fact-finding conference.

(2) *Appearances.* The Director may be represented at the fact-finding conference by the General Counsel or designee. The respondent may appear personally or through an attorney or other authorized representative.

(3) *Scope of the fact-finding conference.* The factual issues considered at the conference shall be limited to those identified in the Director's referral and any amendments thereto filed by the Director.

(4) *Procedures.* The fact-finding conference shall be conducted in accordance with applicable procedural rules adopted by the General Counsel or designee. The procedural rules shall be as informal as practicable, consistent with the principles of fundamental fairness, prompt decisionmaking, and with the evidentiary standards for suspension and debarment. (See § 1035.8(d)(4) and 1035 Appendix A—Rules for Fact-Finding Conferences.)

(5) *Preliminary administrative record.* At least 10 days before the fact-finding conference date, the Director shall file with the fact-finding panel, and mail or deliver to the respondent, a copy of the administrative record as of the date of the transmittal. The copy sent to the responent shall not include any documents which, as provided in § 1035.7, may not be disclosed; the copy filed with the fact-finding panel shall identify which documents must be sealed and viewed by the fact-finding panel only incamera, as provided in § 1036.605.

(6) *Evidence and argument.* The respondent and the Director shall have the opportunity to submit documentary evidence, to examine and cross-examine witnesses, and to present argument. Only evidence which is relevant to the issues referred for the fact-finding conference and which is reliable and probative shall be admissible.

(7) *Transcript.* The fact-finding panel shall make a transcribed record of the fact-finding conference which shall be transmitted to the Director within 20 days after the hearing record is closed. The transcript shall be available at cost to the respondent. The requirement for a transcript may be waived by mutual agreement of the Director and all respondents.

(8) *Fact-finding conference report.* Within 30 days after the conference record is closed, the fact-finding panel shall transmit to the respondent (by notice) and to the Director a written report setting forth proposed findings of fact. The findings shall resolve any disputes over material facts based on a preponderance of the evidence if the case involves a proposal to debar, or on adequate evidence if the case involves a suspension. The respondent shall have 30 days from receipt of the fact-finding panel's report to submit written exceptions to the Director.

(9) *Final decision.* If the final decision sustains a proposed debarment, the debarment may begin no earlier than ten days after the date of the notice of final decision a copy of which shall be transmitted to the fact-finding panel.

§ 1036.605 Coordination with Department of Justice

Whenever a meeting or fact-finding conference is requested, under § 1036.600 (b)(1) or (b)(2), the Director's legal representative shall obtain the advice of appropriate Department of Justice officials concerning the impact disclosure of evidence at the meeting or fact-finding conference could have on any pending civil or criminal investigation or legal proceeding. If such official requests in writing that evidence needed to establish the existence of a cause for suspension or proposed debarment not be disclosed to the respondent, the Director shall:

(a) Decline to rely on such evidence and withdraw (without prejudice) the suspension or proposed debarment until such time as disclosure of the evidence is authorized; or

(b) Rely on such evidence without disclosing it to the respondent. At the fact-finding conference, the Director shall make such evidence available for in camera inspection to the fact-finding panel. Evidence submitted for in camera inspection shall be part of the administrative record, but may not be disclosed to the respondent or any member of the public until release is authorized in writing by an appropriate Department of Justice official or until related legal proceedings are concluded, whichever occurs first.

§ 1036.610 DOE consolidated list of debarred, suspended, ineligible, and voluntarily excluded awardees.

The Director shall compile and maintain a list of persons and affiliates who are currently suspended, proposed for debarment, debarred, ineligible or voluntarily excluded under this part and 10 CFR Part 1035. The DOE List shall contain the following information at a minimum:

(a) The person's name and address;

(b) The causes(s) relied upon under this part;

(c) The effect of each action;

(d) The effective date of the action and, in the case of debarment, the expiration date; and

(e) The name and telephone number of the DOE official who can be contacted for additional information about the action.

§ 1036.615 Effects of being listed on the DOE and GSA lists.

The Director may grant an exception to the prohibitions of paragraphs (a) through (e) of this section by issuing a written determination setting forth the compelling reasons justifying the waiver in accordance with § 1036.215.

(a) DOE shall not solicit, or consider, and shall return any proposal submitted by a contractor, awardee, or person on the DOE List or a person on the GSA List, to the extent that the solicitation activity or proposal falls within the scope of the suspension, proposed debarment, debarment, ineligibility of voluntary exclusion, as indicated on the DOE List or GSA List.

(b) DOE and DOE participants shall not make any new, continuation, or renewal award, or extend any agreement or covered transaction with an awardee or person on the DOE List or on the GSA List, to the extent that the activity falls within the scope of the suspension, proposed debarment, debarment, ineligibility or voluntary exclusion, as indicated on the DOE List or GSA List.

(c) DOE and DOE participants, regardless of tier, shall not approve or consent to any new, continuation, renewal award or extension of a subagreement with a contractor, awardee, or person on the DOE List and shall not approve or consent to any new, continuation, renewal award or extension of a subagreement with a person on the GSA List, to the extent that the award falls within the scope of the suspension, proposed debarment, debarment, ineligibility or voluntary exclusion.

(d) DOE and participants shall disapprove or not consent to the selection (by an awardee) of an individual to serve as a principal investigator, as a project manager, in a position of responsibility for the administration of Federal funds, or in another key personnel position, if the individual is on the DOE List or GSA List.

(e) DOE and DOE participants shall not conduct business with an agent or representative whose name appears on the DOE List or GSA List.

(f) DOE shall review existing agreements and may initiate a review of any subagreements with a contractor, awardee or person on the DOE List or on the GSA List for the purpose of determining whether termination or

other remedial action, available under the terms of the agreement, subagreement, or applicable law, is necessary to protect the Government's interest.

(g) DOE and DOE participants shall review the DOE and GSA Lists before conducting a preaward survey or soliciting proposals, making new, continuation, or renewal awards or otherwise extending the duration of existing agreements, or approving or consenting to the award, extension, or renewal of subagreements at any tier.

PART 1035 [REMOVED]

2. Part 1035 is removed.

[FR Doc. 87-29494 Filed 12-23-87; 8:45 am]
BILLING CODE 6450-01

FEDERAL RESERVE SYSTEM

12 CFR Part 226

[Regulation Z; Docket No. R-0625]

Truth in Lending; Home Equity Disclosures Under Regulation Z

AGENCY: Board of Governors of the Federal Reserve System.

ACTION: Proposed rule.

SUMMARY: The Board is publishing for comment a proposal to amend Regulation Z. The proposed amendment would require creditors to provide disclosures for home equity lines of credit secured by the consumer's principal dwelling at the time an application form is given to the consumer or before the consumer pays a non-refundable fee, whichever is earlier. The proposal also would require the disclosures for home equity plans to be segregated from any other information given to the consumer. Under the proposed amendment, creditors would have to provide additional information about home equity lines secured by a consumer's principal dwelling, including information about a plan's payment terms, whether a creditor can terminate or change the terms of a plan, and, for variable-rate plans, disclosures about the index, frequency of rate adjustments, and a history of changes in the index. Creditors also would be required to provide consumers with a brochure describing home equity plans.

DATES: Comments must be received on or before February 8, 1988.

ADDRESSES: Comments should be mailed to William W. Wiles, Secretary, Board of Governors of the Federal Reserve System, Washington, DC, 20551, or delivered to the 20th Street courtyard entrance on 20th Street, between C Street and Constitution Avenue NW., Washington, DC, between 8:45 a.m. and 5:15 p.m. weekdays. Comments should include a reference to Docket No. R-0625. Comments may be inspected in Room B-1122 between 8:45 a.m. and 5:15 p.m. weekdays.

FOR FURTHER INFORMATION CONTACT: Sharon Bowman or Leonard Chanin, Staff Attorneys, Division of Consumer and Community Affairs, at (202) 452-3667 or 452-2412; for the hearing impaired *only,* contact Earnestine Hill or Dorothea Thompson, Telecommunications Device for the Deaf, at (202) 452-3544, Board of Governors of the Federal Reserve System, Washington, DC, 20551.

SUPPLEMENTARY INFORMATION:

(1) Background

A home equity line is an open-end credit line secured by the homeowner's equity—the difference between the market value of the home and any debts secured by that home. During the past few years the number of lenders offering home equity lines of credit and the number of consumers borrowing through this form of credit have increased considerably. The increased promotion and use of home equity plans has led the Board to examine the disclosures required by the Truth in Lending Act and Regulation Z to determine if the current requirements ensure that consumers receive adequate information about these plans at a relevant stage of the credit-granting process. Financial institutions, trade associations, consumer groups, the Board's Consumer Advisory Council (CAC), and the Congress also have focused on existing disclosure requirements. Financial institutions and trade associations have asked Board staff how information should be disclosed for these plans. Consumer groups and the CAC have expressed concern about the complexities and risks associated with these plans, and the adequacy of the disclosures consumers are receiving. In addition, bills have been introduced in the Congress that would require increased disclosures and would regulate substantive aspects of home equity lines.

Based on the Board's analysis of the current disclosure requirements under Regulation Z—and discussions with financial institutions, trade associations, consumer groups and the CAC—the Board has concluded that the current disclosure requirements do not ensure that consumers receive adequate information about home equity lines in a meaningful and timely fashion.

(2) Current Disclosure Requirements

Currently, Regulation Z requires the same disclosures for home equity lines of credit as for other open-end credit plans. As with other open-end plans, creditors may provide consumers with disclosures at any time prior to the first transaction under the plan, and the disclosures need not be provided in a specified format. In addition the disclosures required by the regulation are rather limited—a creditor is required to disclose only how the finance charge is determined, including the periodic and annual percentage rates; other (nonfinance) charges, such as late payment fees, that may be imposed; the existence of a security interest; and the consumer's billing rights. The Board believes that the current disclosure requirements for home equity lines are insufficient in their timing, format, and content to ensure that consumers understand the terms and conditions of a particular loan program before committing to a plan.

(i) *Timing of disclosures.* In general, the Truth in Lending Act permits disclosures for both open-end and closed-end credit transactions to be given at a relatively late stage of the credit process—at any time before the consumer actually becomes obligated for a particular credit plan.

There are two exceptions to this rule, however. Section 128(b)(2) of the Truth in Lending Act provides that in closed-end residential mortgage transactions subject to the Real Estate Settlement Procedures Act, disclosures must be given within three business days after the creditor receives the consumer's written application. Another exception to this general rule is contained in the regulations just adopted by the Board with respect to adjustable-rate mortgages (ARMs). Those regulations require information about the variable-rate feature of certain closed-end adjustable-rate mortgages to be given to consumers either when an application form is provided or before a consumer pays a nonrefundable fee, whichever is earlier. (See this issue of the **Federal Register**.)

The Board believes that consumers should receive disclosures about home equity lines at an earlier time in the credit process to facilitate consumer understanding and shopping for this type of credit. The same concerns that prompted early disclosures for closed-end ARMs—credit shopping and risk to the consumer—also support requiring early disclosures for home equity lines. The risk to the consumer in the event of default, the potential loss of the home, is

the same for both closed-end and open-end transactions secured by the home. Furthermore, because most home equity lines are variable-rate and often have large up-front fees, the Board believes consumers should receive disclosures in a timely fashion to better understand the risks and complexities of a particular plan, as well to better shop among plans. Specifically, the Board believes consumers should be provided with disclosures when an application form is provided or before the consumer pays a non-refundable fee, whichever is earlier.

(ii) *Format of disclosures.* Regulation Z currently does not require creditors to provide home equity disclosures in any particular format. As with other open-end plans, the disclosures can be interspersed with contract and other information, and need not be highlighted.

The Board believes that the disclosures for home equity lines should be separated from other information. The same concern that prompted segregation of disclosures generally for closed-end transactions—that is, to ensure that the disclosures are highlighted—exists with respect to home equity lines. The purpose of the Trust in Lending disclosure is to provide consumers with clear and readily understandable information about the costs of a credit transaction. Because home equity plans involve terms and conditions that are more complicated and numerous than those in other types of open-end plans, the Board believes that the disclosures required to be provided to consumers by the regulation should be segregated from other information to enable consumers to easily identify and understand the most important terms and conditions. Such a requirement is particularly important when the consumer's home secures the transaction.

In addition to this requirement, the Board believes some information warrants special attention. The Board is proposing that three disclosures—the risk of the loss of the consumer's home in the event of default, the right of a creditor to terminate an account, and the right of a creditor to change the terms of an account—as well as the current security interest disclosure, precede all other disclosures on the form provided to the consumer. Provisions such as the creditor's ability to change a plan's terms and conditions at will or to terminate an account are common in open-end credit, including home equity lines. Consumers, however, may not be familiar with these aspects of the plans if they are more accustomed to closed-end credit where the home is being used as security. Moreover, the exercise of any one of these provisions could have an adverse effect on consumers, thus making it particularly important that consumers be alerted to them.

(iii) *Content of disclosures.* The Board does not believe that changing the timing and format of the disclosure requirements will be sufficient to ensure that consumers understand home equity plans. Regulation Z currently requires creditors to provide only the four items of information mentioned earlier. Therefore, certain important information about home equity lines is not required to be disclosed. The regulation, for example, does not require disclosure of whether a creditor may unilaterally change the terms and conditions of the plan, and the circumstances under which the creditor may terminate the plan and require payment of any outstanding balance. Information about the payment terms of the plan may be difficult to understand, and may not be presented in a manner that facilitates consumer awareness of such features.

The absence of such disclosures is significant since home equity lines contain unique features that may expose consumers to greater risk than the typical open-end credit plan. For example, many of the programs have characteristics of both open-end and closed-end credit. The programs often involve two phases—a phase during which the consumer may obtain advances, as with traditional open-end products, and a phase during which the consumer may not borrow additional money and simply repays what already has been borrowed. Each phase may involve its own payment terms, and, in addition, creditors may give the consumer the option to choose among several payment terms during aphase. Moreover, unlike most traditional open-end plans, many home equity programs permit payment of only interest during the draw period. While some programs provide for payment of the outstanding balance over an extended period of time, others do not; in the latter case, the consumer may be required to pay the entire outstanding balance at the end of the draw period, a fact that may not be clearly disclosed when the consumer contracts for the plan. If the plan calls for full payment of the outstanding balance at the end of the draw period, there may be no guarantee that the creditor will refinance the outstanding principal balance when it becomes due. Although other types of open-end credit, like credit cards, also can involve repayment terms that permit borrowers to make small monthly payments, the risk to consumers is greater with a home equity line given the size of the average credit line, the potential size of the balances, and the risk that consumers may lose their homes if they are unable to pay the full balance when it is due.

In the case of variable-rate home equity lines, the Board is also concerned about adequate disclosure of the variable-rate feature. For open-end variable-rate home equity lines, only a limited amount of information about the variable-rate feature is currently required. (The creditor must disclose the circumstances under which the rate may increase, any limits on the increase, and the effect of an increase.) Requiring additional disclosures for variable-rate home equity lines secured by the consumer's principal dwelling would be consistent with the additional variable-rate disclosures just adopted by the Board for closed-end ARMs. The same concern exists in both open-end and closed-end transactions, that is, the possibility of losing the home in the event of default and the fact that the variable-rate feature could increase the risk of default in some instances. The Board believes most of the variable-rate disclosures contained in its final ARMs rule should be provided for home equity lines secured by the consumer's principal dwelling. Such disclosures, adjusted to reflect the fact that open-end transactions differ from closed-end transactions, would ensure that consumers receive substantially the same information for all variable-rate credit secured by the consumer's principal dwelling.

(3) Current Advertising Requirements

Currently an advertisement that states an annual fee or other cost information must state additional information, such as the annual percentage rate (APR), any minimum, fixed, transaction or activity charge, and any membership or participation fee. Reference in an advertisement to certain other terms, such as a payment term, however, does not require the disclosure of the other cost information, such as the APR.

The Board believes that providing specific terms, such as the payment amount, in an advertisement without providing additional cost information gives an incomplete and potentially misleading picture of the major terms and conditions of the plan and the consumer's potential obligations under the plan. The proposed amendments to § 226.6 to require additional disclosures for home equity lines would address this concern without the need for changes to the advertising section. Under the open-end advertising rules in § 226.16, any reference to an item required to be

disclosed under § 226.6 requires the disclosure of the cost information discussed above. Thus if any of the proposed disclosures in § 226.6(e) is stated in an advertisement, the cost information listed in § 226.16(b) would have to be provided.

(4) Consumer Brochure

In addition to the need for disclosures about specific home equity programs, because home equity lines are a relatively new and nontraditional form of credit the Board believes that consumers also may need more general information about these products. Under the new closed-end regulations, creditors will provide consumers with a brochure that describes ARMs (*The Consumer Handbook on Adjustable Rate Mortgages*, published by the Board and the Federal Home Loan Bank Board, or a suitable substitute), along with the other disclosures. The Board is proposing that creditors be required to provide prospective borrowers with a similar brochure describing home equity lines of credit. The brochure would generally describe how home equity plans operate, define terms consumers might not be familiar with, and advise consumers how to compare home equity plans. The Board is currently working on a brochure that would meet this requirement. Under the proposal, creditors would provide this brochure, or a suitable substitute, along with the other disclosures.

(5) Proposed Amendments to Regulation Z

(i) *Coverage.* The Board is proposing to amend Regulation Z to require additional disclosures for home equity lines. The disclosures would be required only for open-end credit programs secured by the consumer's principal dwelling. The new requirements would not apply to home equity lines secured by other consumer dwellings, such as vacation homes.

(ii) *Timing.* the initial home equity disclosure statement—containing both the existing and proposed disclosures—and the brochure would be given to the consumer when an application form is provided or before the consumer pays a nonrefundable fee, whichever is earlier. For mail and telephone applications (and those submitted through an agent or broker) disclosures would be provided within three business days of receipt of the application by the creditor. The creditor would not be required to provide the consumer with additional initial Truth in Lending disclosures under section 226.6 at the time an account is opened. If a creditor makes a change in a home equity program after giving the initial disclosures, however, the creditor must provide consumers written notice of the changes under the existing rules in § 226.9(c), dealing with changes in the terms of a credit plan. Section 226.9(c) would require creditors to give the notice to all consumers who may be affected by the changes, for example, at the time the consumer submits a completed application. Creditors would not be required to give notices to consumers that had merely received the initial disclosures along with an application. The Board seeks comment on whether the current rules in § 226.9(c) dealing with changes in the terms of open-end credit plans are adequate to ensure that notice of changes is provided to consumers without imposing undue burdens on creditors, or whether the rules should be modified in some manner.

(iii) *Format.* Under the proposal, creditors would be required to segregate the disclosures from any other information provided to the consumer. Creditors would not be permitted to include the disclosures in loan contracts, or to provide additional information with the segregated disclosures. To further highlight three of the new disclosures—the risk of loss of the consumer's home in the event of default, the right of a creditor to terminate an account, and the right of a creditor to change the terms of an account—as well as the current security interest disclosure, the regulation would require that these disclosures precede all other disclosures on the form provided to the consumer. Creditors could continue to provide additional information about plans, as long as the information is not interspersed with the required disclosures.

(iv) *New home equity disclosures.* Under the proposal creditors would have to disclose the fact that consumers risk losing their homes in the event of default. Creditors also would be required to describe certain of their contractual rights. The circumstances under which the creditor (or consumer) may terminate the plan would be provided. For example, if a creditor retains the right to terminate the plan if a rate ceiling is reached, that fact would be noted. In addition, the disclosure would state any fees that may be imposed in the event of termination, and whether the creditor may require payment in full of any outstanding balance. If a creditor retains the right to unilaterally change the terms and conditions of the plan, that right also would be disclosed.

Creditors would disclose the period during which a consumer could obtain advances and the period during which the consumer would be allowed only to make payments. Creditors also would have to disclose how the minimum monthly payment requirements for each period are determined. Examples of the monthly payment amount for each period based on an assumed $10,000 balance outstanding, at a recent interest rate charged under the plan, would be provided. For purposes of the examples, an interest rate would be considered recent if it had been in effect within 90 days of delivery of the disclosures. Creditors also would provide a statement if the minimum monthly or periodic payment may not or will not reduce the outstanding principal balance. The proposal would require disclosure of any minimum outstanding balance or minimum draw requirements under the plan. Disclosure also would have to be made that information about the creditor's other open-end home equity programs is available.

(v) *Additional disclosures for variable-rate plans.* The Board proposes to require creditors to provide additional information for variable-rate home equity lines. These disclosures would closely parallel the disclosures just adopted by the Board (and published in this issue of the **Federal Register**), for closed-end variable-rate transactions secured by a consumer's principal dwelling. Under the proposal creditors would provide the index or the formula used to make rate adjustments, and a source of information about the index. Creditors also would have to describe how the interest rate is determined, including, for example, whether a margin is added to the index to arrive at the interest rate. A statement also would be provided to consumers suggesting they ask about the current index, margin, and interest rate. Creditors would disclose the frequency of rate and payment adjustments, and any rules relating to changes in the index, interest rate, payment amount, and outstanding loan balance. Such information would include an explanation of limitations on the maximum payment or rate that would be charged, interest rate carryover, and negative amortization. Creditors also would specifiy the informaiton that would be provided on periodic statements concerning the rate changes.

In addition to these disclosures, creditors would have to provide a historical table that shows the values of the specific index or formula to be used in the loan program, beginning with the value for 1977. The index values would

be updated annually until a fifteen-year history is shown. Creditors would then show a "rolling history" of index values for the preceding fifteen years. The margin and interest rate for each of the years also would be provided. Unlike the closed-end ARMs rule just adopted by the Board, the monthly payment and remaining balance for the historical table would not have to be provided. The Board believes this information would be of limited value for open-end transactions since the outstanding balance can, and often does, fluctuate as the consumer makes draws and payments under the plan. Comment is requested, however, or whether the monthly payment amount and remaining balance should be required for open-end as it is for closed-end transactions. Creditors also would be required to disclose the initial interest rate shown in the historical table and the maximum interest rate and the corresponding payments for a $10,000 loan under the plan.

The Board requests comment on one issue that relates to an existing provision in the regulation and staff commentary dealing with disclosures of the annual percentage rate in open-end variable-rate credit plans. The commentary to § 226.6(a)(2) states that a creditor in disclosing the APR in effect in a variable-rate plan may use in insert showing the current rate, may give the rate as of a specified date and update the disclosure from time to time for example, each calendar month, or may disclose an estimated rate under § 226.5(c). In light of the proposed requirement that home equity disclosures be provided earlier, the Board requests comment on whether these options for disclosing the APR provide creditors with sufficient flexibility.

Creditors also would have to provide additional variable-rate information on or with the first periodic statement sent to consumers after the rate has been adjusted. Consumers would be informed of the prior and current index values and the interest rates derived from these values. If the creditor has foregone any interest rate increase, this would be noted. Creditors also would disclose the contractual effects of any rate adjustment, including the payment due and loan balance.

A sample home equity disclosure statement that shows how the proposed and existing requirements might be met is provided in the Appendix of this notice.

(vi) *Consumer brochure.* The Board also proposed to require creditors to furnish consumers with a home equity brochure along with the required disclosures. Creditors would provide the brochure that the Board will publish or a suitable substitute. Any brochure that is substituted for the Board's pamphlet would have to define terms common to home equity lines, describe features that are basis to most home equity lines, give examples of how rate changes could affect monthly payments, and provide a basic checklist of items that consumers should be alerted to when they shop for home equity products.

(6) Related Provisions

(i) *Right of rescission—material disclosures.* The Board is also proposing to amend footnote 36, accompanying § 226.15(a)(3) of the regulation. Section 226.15(a)(3) states that the consumer may exercise the right of rescission until midnight of the third business day following opening the plan, delivery of the notice of the right to rescind, or delivery of all "material disclosures," whichever occurs last. Footnote 36 of the regulation currently defines material disclosures to include the method of determining the finance charge and the balance upon which a finance charge will be imposed, the annual percentage rate, and the amount of method of determining the amount of any membership or participation fee that may be imposed as part of the plan. The Board believes all of the proposed disclosures in footnote 36. The proposed lines should be treated as material discolsures in footnote 36. The proposed disclosures contain information that is essential to consumers understanding the cost, terms, and conditions of home equity transactions, and thus consumers must have the information in order to properly exercise their right of rescission.

(ii) *Advertising requirements.* The Board is not proposing changes to the advertising rules contained in § 226.16 of the regulation. The additional disclosures for home equity plans, if included in an advertisement, will require additional advertising disclosures, however. Under the open-end advertising rules in § 226.16, any reference to an item required to be disclosed under § 226.6 calls for the disclosure of cost information such as the APR, any membership or participation fee, and any minimum, fixed, transaction, or activity charge. Thus if any of the proposed disclosures in § 226.6(e) is stated in an advertisement, other cost information such as the APR also would have to be provided. (The commentary currently limits the terms that require additional disclosures to those items in § 226.6(a) and (b); comment 226.16(b)-1 would be revised to include a reference to § 226.6(e), if the Board adopts this proposal as a final rule.)

(7) Comment Period

The comment period ends on February 8, 1988. Because prompt resolution of these matters is essential and in the public interest, the expanded rulemaking procedure set forth in the Board's policy statement of January 19, 1979 (44 FR 3957) will not be followed. The Board believes an abbreviated comment period is necessary to ensure that a final rule is issued at least six months before October 1, 1988, the statutory deadline for the effective date of regulatory amendments.

(8) Economic impact statement

The Board's Division of Research and Statistics has prepared an economic impact statement on the proposed revisions to Regulation Z. A copy of the analysis may be obtained from Publications Services, Board of Governors of the Federal Reserve System, Washington, DC, 20551, at (202) 542-3245.

List of Subjects in 12 CFR Part 226

Advertising, Banks, banking, Consumer protection Credit, Federal Reserve System, Finance, Penalties, Truth in lending.

(9) Text of Proposed Revisions

Certain conventions have been used to highlight the proposed revisions. New language is shown inside bold-face arrows, while language that would be removed is set off with brackets. For the reasons set out in this notice, and pursuant to the Board's authority under section 105 of the Truth in Lending Act (15 U.S.C. 1604 et seq.), the Board proposes to amend Part 226 as follows:

PART 226—TRUTH IN LENDING

1. The authority citation for Part 226 continues to read as follows:

Authority: Sec. 105, Truth in Lending Act, as amended by sec. 605, Pub. L. 96-221, 945 Stat. 170 (15 USC 1604 et seq.); sec. 1204(c), Competitive Equality Banking Act., Pub. L. 100-86, 101 Stat. 552.

2. Section 226.5 is amended by adding paragraph (a)(3), redesignating (b)(2) as (b)(3) and adding a new paragraph (b)(2) to read as follows:

Subpart B—Open-end Credit

§ 226.5 General disclosure requirements

(a) *Form of disclosures.* * * *

►(3) In a plan secured by the consumer's principal dwelling, the disclosures required by § 226.6 shall be grouped together, shall be segregated

from everything else, and shall not contain any information not directly related [10a] to the disclosures required under § 226.6. The disclosures required by § 226.6(c) and (e)(1)–(3) shall precede all other disclosures.[10b]◄

(b) *Time of disclosures.* * * *

►(2) *Initial disclosures for plans secured by the consumer's principal dwelling.* In a plan secured by the consumer's principal dwelling, the creditor shall furnish the initial disclosure statement and brochure required by section 226.6 at the time an application form is provided or before the consumer pays a nonrefundable fee, whichever is earlier.[10c] The creditor may furnish the disclosures required by § 226.6(d) in accordance with § 226.5(b)(1).◄

* * * * *

3. Section 226.6 is amended by adding paragraph (e) and (f) to read as follows:

§ 226.6 Initial disclosure statement.

* * * * *

►(e) *Additional disclosures for plans secured by the consumer's principal dwelling.* In a plan secured by the consumer's principal dwelling, the following additional disclosures:

(1) A statement that loss of the consumer's home may occur in the event of default.

(2) A statement of the circumstances under which the consumer or the creditor may terminate the plan, any fees that may be imposed upon termination, and whether the creditor may require payment of the outstanding balance in full at such time.

(3) If the creditor has the right to change the terms and conditions during the plan, a statement of that fact.

(4) The payment terms for the plan (separately stated, if applicable, for the period when advances may be obtained and the period when repayment is made without new advances).

(i) The length of the plan.

(ii) An explanation of how the minimum monthly or periodic payment will be determined, including a statement of any other payment, such as one-time payment of the outstanding balance.

(iii) An example, based on a $10,000 amount outstanding and a recent interest rate, showing the minimum monthly or periodic payment, and any one-time payment of the oustanding balance.

(5) If the minimum monthly or periodic payment may not or will not reduce the outstanding principal balance, a statement of that fact.

(6) Any minimum outstanding balance or minimum draw requirements, stated as dollar amounts.

(7) A statement that disclosure forms are available for the creditor's other open-end programs secured by the consumer's principal dwelling.

(8) If the plan has a variable rate, the following additional disclosures:

(i) The index or formula used in making adjustments, and a source of information about the index.

(ii) An explanation of how the interest rate will be determined, including an explanation of how the index is adjusted, such as by the addition of a margin.

(iii) A statement that the consumer should ask about the current index value, margin, and interest rate.

(iv) The frequency of interest rate and payment changes.

(v) Any rules relating to changes in the index, interest rate, payment amount, and outstanding loan balance including, for example, an explanation of interest rate or payment limitations, negative amortization, and interest rate carryover.

(vi) An historical table showing how interest rates would have been affected by changes in index values over a 15-year period. The historical table would start in 1977 and be updated annually until 15 years of index, margin, and interest rate values are shown.

(vii) A statement of the most recent interest rate shown in the historical table and maximum interest rate and corresponding payments based on a $10,000 advance.

(viii) A statement that interest rate information will be provided on or with the first periodic statement after each rate change.

(f) *Brochure for plans secured by the consumer's principal dwelling.* In a plan secured by the consumer's principal dwelling, the home equity brochure published by the Board, or a suitable substitute.◄

4. Section 226.7 is amended by adding paragraph (l) to read as follows:

§ 226.7 Periodic statement.

* * * * *

►(l) *Additional disclosures for variable rate plans secured by the consumer's principal dwelling.* On or with the first periodic statement after an interest rate adjustment of a variable-rate plan secured by the consumer's principal dwelling, notification of the rate change. The notice shall contain the following information.

(1) The current and prior interest rates.

(2) The index values upon which the current and prior interest rates are based.

(3) The extent to which the creditor has foregone any increase in the interest rate.

(4) The contractual effects of the adjustment, including the payment due after the adjustment is made.◄

* * * * *

5. Footnote 36 to paragraph (a)(3) of § 226.15 is revised to read as follows:

§ 226.15 Right of rescission.

(a) * * *

(3) * * * [36]

* * * * *

Appendix

Editorial Note: This appendix will not appear in the Code of Federal Regulations.

Sample Disclosure

Important Terms of Our Home Equity Line of Credit

Security Interest: You must give us a security interest in your home. You could lose your home if you do not meet the obligations in your agreement with us.

Termination and Payment Upon Termination: We can cancel your account and require you to pay the entire outstanding balance immediately: (1) If the interest rate that would apply to your account should exceed 18%; (2) if changes in the law either prohibit or increase our risk or burden of offering the plan; (3) if you fail to comply with the requirements in your agreement with us.

You may close your account at any time by notifying us in writing. If you close your account, we can require you to pay the entire outstanding balance immediately.

Changes in Terms: We can change the terms and conditions that apply to your account during the life of the plan.

Payment Requirements: You can obtain advances for fifteen years. During this period, your minimum monthly payment will equal the amount of interest accrued and unpaid on your account at the end of the billing period or $10, whichever is greater. For example, if

►[10a] The disclosures may include an acknowledgement of receipt, the date of the transaction, and the consumer's name address, and account number.◄

►[10b] The disclosures required by § 226.6(d) and (f) may be sparated from the other disclosures. Creditors also may use an insert or attachment for disclosing information that is subject to change, such as the index, interest rate, and payment example.◄

►[10c] In the case of telephone or mail applications or when an application reaches the creditor through an intermediary agent or broker, disclosures may be delivered not later than three business days after the creditor receives the consumer's application.◄

►[36] The term "material disclosures" means the information that must be provided to satisfy the requirements in § 226.6 with regard to the method of determining the finance charge and the balance upon which a finance charge will be imposed, the annual percentage rate, [and] the amount or method of determining the amount of any membership or participation fee that may be imposed as part of the plan[.]►, and those items set forth in § 226.6(e).◄

you had an outstanding balance of $10,000, the minimum monthly payment at an interest rate of 10.25% would be $85.42. Outstanding balances of less than $200 must be paid in full.

The minimum monthly payment (when it equals accrued interest) will not reduce the outstanding principal balance on your account.

At the end of fifteen years, you must pay the entire outstanding balance immediately. For example, if after fifteen years you had an outstanding balance of $10,000, you would have to make one payment of $10,000.

Variable Rate Feature: The interest rate is variable and can change quarterly. The rate will not exceed 18%.

The interest rate equals an "index" plus a "margin." The index is the average prime rate charged by banks as published in the Federal Reserve Bulletin for the first month of the preceding quarter. The margin was 2 percentage points on 10/1/87. Ask us for the current index value, margin, and interest rate.

How the Finance Charge is Determined: Finance charges begin to accrue on the date a transaction is posted to your account. To determine the finance charge for a billing period, we multiply the "average daily balance" on your account by the "periodic rate." The "average daily balance" equals the total of the balances outstanding at the end of each day during the billing period divided by the number of days in the billing period. (The balance outstanding at the end of each day is determined by taking the beginning balance in your account each day, adding new advances, and subtracting any payments and credits and unpaid finance charges.) The "periodic rate" equals the interest rate (the index plus the margin) divided by the number of billing periods in a year (12).

Currently, the periodic rate is .8542% and the corresponding Annual Percentage Rate is 10.25%.

Other Finance Charges: You must pay a loan processing fee Finance Charge of $200 when you open your account.

Other Charges

Application fee	$150
Annual fee	45
Late payment fee (or 5% of the late payment, whichever, is greater)	5
Closing costs (estimated)	750
Title search/Insur	200
Appraisal fee	150
Attorney/Doc. prep	250
Recording fees	150

Minimum Draw Requirements: The minimum amount of an advance is $500.

Effects of the Variable-Rate Feature: Increases in the interest rate will increase the amount of your minimum monthly payment. For example, if the interest rate increased from 10.25% to the 18% maximum permitted under the plan, the minimum monthly payment on a $10,000 balance would increase from $85.42 to $150.

You will be notified of changes in the interest rate on the monthly periodic statement you receive following the change.

Rate History: This table shows how the interest rate would have been affected by actual changes in the index that occurred between 1977 and 1987. It does not necessarily indicate how the index will change in the future.

Year	Index (percent)	Margin (percent)	Interest rate (percent)
1977	6.75	2	8.75
1978	9.00	2	11.00
1979	11.54	2	13.54
1980	11.48	2	13.48
1981	20.39	2	18.00*
1982	16.26	2	18.00*
1983	10.50	2	12.50
1984	13.00	2	15.00
1985	9.50	2	11.50
1986	8.16	2	10.16
1987	8.25	2	10.25

* This interest rate reflects the 18% lifetime interest rate cap.

Information on our other home equity programs is available on request.

Board of Governors of the Federal Reserve System, December 21, 1987.

William W. Wiles,

Secretary of the Board.

[FR Doc. 87-29556 Filed 12-23-87; 8:45 am]

BILLING CODE 6210-01-M

12 CFR Part 226

[Reg. Z; Docket No. R-0545A]

Proposed Update to Official Staff Commentary

AGENCY: Board of Governors of the Federal Reserve System.

ACTION: Proposed official staff interpretation.

SUMMARY: The Board is publishing for additional comment proposed changes to the official staff commentary to Regulation Z (Truth in Lending). The proposed commentary would offer guidance to creditors in complying with the provisions of an amendment to Regulation Z that is being published in final form in this issue of the **Federal Register.** The regulatory amendment requires creditors to provide more information to consumers about certain closed-end variable-rate loans than is currently required. The proposed commentary revisions include new material as well as numerous technical changes in existing material.

DATES: Comments must be received on or before January 29, 1988.

ADDRESSES: Comments should be mailed to William W. Wiles, Secretary, Board of Governors of the Federal Reserve System, Washington, DC, 20551, or delivered to the 20th Street courtyard entrance, on 20th Street between C Street and Constitution Avenue, NW., Washington, DC, between 8:45 a.m. and 5:15 p.m. weekdays. Comments should include a reference to Docket No. R-0545A. Comments may be inspected in Room B-1122 between 8:45 a.m. and 5:15 p.m. weekdays.

FOR FURTHER INFORMATION CONTACT: Sharon T. Bowman or Thomas J. Noto, Staff Attorneys, or Michael S. Bylsma, Senior Attorney, Division of Consumer and Community Affairs, Board of Governors of the Federal Reserve System, Washington, DC, 20551, (202) 452-3667. For the hearing impaired *only,* Telecommunication Device for the Deaf (TDD), contact Earnestine Hill or Dorothea Thompson at (202) 452-3544.

SUPPLEMENTARY INFORMATION:

(1) Background

This proposed official staff interpretation is being published in conjunction with a final amendment to Regulation Z that is designed to provide more information to consumers about closed-end variable-rate transactions secured by a consumer's principal dwelling with a term greater than one

year. The proposed commentary would apply and interpret the regulatory amendment. Proposed revisions to the commentary were originally published for public comment on November 24, 1986 (51 FR 42248), however to obtain as much input as possible on provisions that will interpret the regulatory amendment, the Board is publishing for additional comment the proposed changes to the commentary. Following public comment, it is anticipated that commentary revisions will be adopted in final form with compliance optional until October 1, 1988.

The comment period for this proposal has been limited to 30 rather than the usual 60 days. The shorter comment period will ensure that final commentary provisions are in place as quickly as possible to assist creditors in complying with the new amendments to Regulation Z. The proposed revisions include material that was originally proposed for comment in November of 1986, with a few additions. Additional material is included, for example, regarding the definition of a variable-rate "program" and the treatment of discount features for disclosure purposes. The major revisions proposed for the commentary begin with comment 18(f)(2). Portions of existing commentary that would undergo only minor changes have been reprinted to assist commenters in understanding the proposed revisions.

(2) Explanation of Revisions

The following is a brief description of the proposed revisions to the commentary:

Subpart C—Closed-end Credit

Section 226.17—General disclosure requirements.

17(a) Form of Disclosures

Paragraph 17(a)(1). Comment 17(a)(1)–2 would be amended to clarify that the general segregation requirement in § 226.17(a) does not apply to the disclosures required under new §§ 226.19(b) and 226.20(c). The information contained in the fifth bulleted paragraph under comment 17(a)(1)–5, which discusses disclosure of a variable-rate feature on other documents, would be deleted since similar information would be required under new paragraph (f)(2) of § 226.18. In addition, the ninth bulleted paragraph under comment 17(a)(1)–5, discussing negative amortization, would be revised to change the reference from § 226.18(f)(3) to new § 226.18(f)(1)(iii).

17(b) Time of Disclosures

Comment 17(b)–1 would be expanded by adding a reference to the timing requirements in new § 226.19(b) for variable-rate transactions secured by the consumer's principal dwelling with a term greater than one year. Comment 17(b)–2 would be amended by adding a reference to the timing rules for additional disclosures required upon the conversion of open-end transactions to certain closed-end variable-rate transactions. 17(c) Basis of Disclosures and Use of Estimates

Paragraph 17(c)(1). The first bulleted paragraph in comment 17(c)(1)–2, discussing preferential employee rates, would be revised to change the reference from § 226.18(f) to § 226.19(b). This change would clarify that certain preferred-rate employee loans are variable-rate transactions subject to the disclosure requirements of new § 226.19(b). Material generally relating to the basis of disclosures for variable-rate transactions currently in the commentary to § 226.18(f) would be moved to the commentary to § 226.17(a)(1) and the material currently in the commentary to § 226.17(a)(1) would be reordered to accommodate this change. Comments 17(c)–8 –9 and –10, discussing graduated payment mortgages, Morris plans and number of transactions would be redesignated, respectively, as comments 17(c)–12, –14 and –15. Material currently contained in comments 18(f) –2 and –3, discussing the basis of disclosures and use of estimates for variable-rate transactions, would be added as comments 17(c)(1) –8 and –9. Comment 17(c)(1)–10 would incorporate material on discounted variable-rate transactions currently contained in comment 18(f)–8. Most of the material currently in comment 18(f)–6 relating to the basis of disclosure for certain variable-rate transactions would be incorporated in comment 17(c)(1)–11. Two parts of existing comment 18(f)–6 that do not relate to the basis of disclosure, namely the reference in the second bullet to the conditions for imposition of a shared-appreciation feature and the reference to the hypothetical example in the third bullet, would be deleted in the new comment 17(c)(1)–11. The material currently in comment 18(f)–7, discussing growth-equity mortgages, would be incorporated in new comment 17(c)(1)–13, although detailed discussion of the option of disclosing by analogy to variable-rate disclosures would be deleted in favor of a more general reference in the new comment 17(c)(1)–13.

17(f) Early Disclosures

As a result of the revisions to § 226.19 of the regulation, the reference in comment 17(f)–3 to § 226.19(b) would be revised to reference § 226.19(a)(2).

Section 226.18—Content of disclosures.

18(f) Variable Rate

Comment 18(f)–1 would be expanded to explain whether paragraph (f)(1) or (f)(2) of § 226.18 applies to a particular variable-rate transaction. Comment 18(f)–1 would also indicate that variable-rate loans that are for a term longer than one year and are secured by the consumer's principal dwelling are subject to the special early disclosure requirements of new § 226.19(b).

With minor changes, material relating to the basis of disclosures for variable-rate transactions would be moved to the commentary to § 226.17(c)(1). Consequently, comments 18(f) –2 and –3 and comments 18(f) –5 through –8 would be deleted. Present comment 18(f)–4 would be redesignated as comment 18(f)–2. The material currently in comments 18(f) –2 and –3 would be incorporated in comments 17(c)(1) –8 and –9, and the material currently in comments 18(f)–6, –7 and –8 would be incorporated, respectively, in comments 17(c)(1)–11, –13 and –12. The material currently in comment 18(f)–5 would be incorporated in the commentary to new § 226.19(b), which contains the new disclosure requirements. The material currently in comment 18(f)–6 would be incorporated in new comment 19(b)–4 to clarify that the designated transactions are subject to the general disclosure requirements of new § 226.19(b). The material currently in comment 18(f)–6 relating to the basis for disclosures would not be transferred to new comment 19(b)–4, since such information would be incorporated in comment 17(c)(1)–12.

The current headings referring to paragraphs 18(f)(1) through (4) would be changed to reference paragraphs 18(f)(1)(i) through (iv) to reflect the fact that current § 226.18(f) of the regulation has become § 226.18(f)(1).

Comment 18(f)(2)–1 would be added to clarify that where a variable-rate transaction is secured by the consumer's principal dwelling and has a term greater than one year, later Truth in Lending disclosures must state that the variable-rate feature exists and refer to the variable-rate disclosures provided earlier to the consumer under new § 226.19(b).

Section 226.19—Certain residential mortgage transactions.

The title of this section of the commentary would be revised to read "Certain Residential Mortgage and

Variable-Rate Transactions" to reflect the fact that § 226.19 of the regulation now incorporates disclosure provisions for variable-rate loans secured by the consumer's principal dwelling that have a term greater than one year.

19(a) Time of Disclosure

The current heading referring to 19(a) would be redesignated as 19(a)(1). Existing comments 19(a)–1 through 19(a)–5 would therefore become comments 19(a)(1) –1 through –5.

19(b) Redisclosure Required

The current heading referring to 19(b) would be redesignated as 19(a)(2). Existing comments 19(b)–1 through 19(b)–4 would therefore become comments 19(a)(2) –1 through –4.

Comment 19(b)–1 would be added to clarify that the new requirements of § 226.19(b) apply to all variable-rate transactions secured by the consumer's principal dwelling with a term greater than one year.

Comment 19(b)–2 would be added to explain the special timing rules under § 226.19(b) for cases where applications are received through an agent or broker or by telephone, as well as where open-end accounts convert, pursuant to a written agreement, to transactions subject to § 226.19(b).

Comment 19(b)–3 would incorporate material previously contained in comment 18(f)–5 to clarify that creditors may substitute information provided in accordance with the variable-rate regulations of other federal agencies for the disclosures required by § 226.19(b). The reference to footnote 43 and § 226.18(f) in old comment 18(f)–5 would be revised to reference footnote 45a and § 226.19(b), respectively, in the new comment 19(b)–3.

Comment 19(b)–4 would incorporate, with some changes, material previously contained in comment 18(f)–6 clarify that the designated transactions are subject to the general disclosure requirements of §226.19(b). The last sentence in the first bullet under old comment 18(f)–6 referring to the disclosures that must be given for renegotiable rate mortgages would be deleted in the new comment 19(b)–4, as would the third and fourth sentences in the second bullet dealing with disclosures for shared-equity mortgages. The language in the third bullet under old comment 18(f)–6 would be revised in the new comment 19(b)–4 to take into account transactions where the initial underlying rate is fixed, and the reference to the hypothetical example in the last sentence would be deleted.

Paragraph 19(b)(1) Comment 19(b)(1)–1 would be added to clarify what constitutes a suitable substitute for the *Consumer Handbook on Adjustable Rate Mortgates.*

Paragraph 19(b)(2). Comment 19(b)(2)–1 would be added to explain that a creditor must provide disclosures for each of its variable-rate programs in which the consumer expresses an interest.

Comment 19(b)(2)–2 would be added to clarify what constitutes a separate loan program that would require separate program disclosures. Comment 19(b)(2)–3 would be added to clarify that the disclosures required under §226.19(b)(2) need only be made as applicable, and comment 19(b)(2)–4 would be added to explain the circumstances under which a creditor must revise its loan program disclosures.

Comments to new § 229.19(b)(2)(i) through (xiv) would be added to clarify the requirements imposed by these paragraphs and to illustrate how a creditor may comply with the new provisions.

Section 226.20—Subsequent disclosure requirements.

20(a) Refinancings

Comment 20(a)–3 would be amended to clarify that the addition of a variable-rate feature to an obligation or an increase in the rate based on a previously undisclosed variable-rate feature are events requiring disclosures under new § 226.19(b)(2) if the variable-rate transaction is secured by the consumer's principal dwelling and has a term greater than one year. The comment explains that, in such cases, disclosures must be given at the time of the addition or increase.

20(b) Assumptions

Comment 20(b)–6 would be amended to provide that assumptions of variable-rate transactions secured by the consumer's principal dwelling with a term greater than one year may be disclosed in accordance with § 226.18(f)(2)(i) or § 226.18(f)(1).

20(c) Variable-Rate Adjustments

Comment 20(c)–1 would be added to explain what subsequent disclosures are required in cases where a rate adjustment is made in a variable-rate transaction subject to new § 26.19(b). Comment 20(c)–2 would clarify that shared-equity loans and preferred-rate employees loans with an underlying fixed rate would be exempt from the new subsequent disclosure requirements of § 226.20(c).

Appendix H—Closed-End Model Forms and Clauses

Commentary would be provided to interpret the new model clauses H–4(B) through H–4(D) in Appendix H of the regulation. These additions would be numbered as comments app. H–5 through –7. In addition commentary describing new Sample H–14 would be added as comment app. H–18. Consequently, existing comments app. H–5 through –14 would be renumbered as comments app. H–8 through –17 and existing comments app. H–16 through –20 would be renumbered as comments app. H–19 through –23.

List of Subjects in 12 CFR Part 226

Advertising, Banks, Banking, Consumer protection, Credit, Federal Reserve System, Finance, Penalties, Rate limitations, Truth in lending.

Certain conventions have been used to highlight the proposed revisions. New language is shown inside arrows, while language that would be deleted is set off with brackets. Pursuant to authority granted in section 105 of the Truth in Lending Act (15 U.S.C. 1604 as amended), the Board proposes to amend the official staff commentary to Regulation Z (12 CFR Part 226 Supp. I) as follows:

PART 226—[AMENDED]

(1) The authority citation for Part 226 continues to read:

Authority: Sec. 105, Truth in Lending Act, as amended by sec. 605, Pub. L. 96–221, 94 Stat. 170 (15 U.S.C. 1604 *et seq.*); sec. 1204(c), Competitive Equality Banking Act, Pub. L. 100–86, 101 Stat. 552.

(2) *Text of proposed revisions.* The proposed revisions to the commentary (12 CFR Part 226 Supp. I) include revising comment 17(a)(1)–2; removing the information contained in the fifth bullet under comment 17(a)(1)–5 and changing the reference in the ninth bullet under this comment from § 226.18(f)(3) to § 226.18(f)(1)(iii); revising comment 17(b)–1; changing the reference in the first bullet under comment 17(c)(1)–2 from § 226.18(f) to § 226.19(b); redesignating existing comment 17(c)(1)–8 as comment 17(c)(1)–12; redesignating existing comments 17(c)(1)–9 and 17(c)(1)–10 as comments 17(c)(1)–14 and 17(c)(1)–15, respectively; adding new comments 17(c)(1)–8 through 17(c)(1)–11 and 17(c)(1)–13; changing the reference in comment 17(f)–3 from § 226.19(b) to § 226.19(a)(2); revising comment 18(f)–1; deleting comment 18(f)–2; redesignating existing comment 18(f)–4 as comment 18(f)–2; deleting comments 18(f)–3

through 18(f)–8; redesignating comments 18(f)(1)–1, 18(f)(2)–1, 18(f)(3)–1, 18(f)(4)–1 and 18(f)(4)–2 as comments 18(f)(1)(i)–1, 18(f)(1)(ii)–1, 18(f)(1)(iii)–1, 18(f)(1)(iv)–1, and 18(f)(1)(iv)–2, respectively; adding new comment 18(f)(2)–1; revising the title to the commentary to § 226.19; redesignating paragraphs 19(a) and 19(b) as paragraphs 19(a)(1) and 19(a)(2), respectively; redesignating comments 19(a)–1 through 19(a)–5 as comments 19(a)(1)–1 through 19(a)(1)–5 and comments 19(b)–1 through 19(b)–4 as 19(a)(2)–1 through 19(a)(2)–4; adding new comments 19(b)–1 through 19(b)(2)(xiv)–1; revising comment 20(a).3; revising comment 20(b)–6 and adding comments 20(c)–1 and 20(c)–2; amending the commentary to Appendix H by redesignating comments app. H–5 through app. H–20 as app. H–8 through H–23, adding new comments app. H–5 through app. H–7, and revising newly redesignated comment app. H–18, to read as follows:

Supplement I—Official Staff Interpretation

* * * * *

§ 226.17—General disclosure requirements.

17(a) Form of Disclosures

Paragraph 17(a)(1)

2. *Segregation of disclosures.* The disclosures may be grouped together and segregated from other information in a variety of ways. For example, the disclosures may appear on a separate sheet of paper or may be set off from other information on the contract or other documents:

- By outlining them in box.
- By bold print dividing lines.
- By a different color background.
- By a different type style.

►(The general segregation requirement described in this subparagraph does not apply to the disclosures required under § 226.19(b) and 226.20(c) although the disclosures must be clear and conspicuous.)◄

* * * * *

5. *Directly related.* * * *

[• When a variable-rate feature is disclosed on other documents * * *.]

* * * * *

• A brief reference to negative amortization in variable-rate transactions. For example, in the variable-rate disclosure, the creditor may include a short statement such as "Unpaid interest will be added to principal." (See the commentary to [§ 226.18(f)(3)]►226.18(f)(1)(iii)◄.)

* * * * *

17(b) Time of Disclosures

1. **Consummation.** As a general rule, disclosures must be made before "consummation" of the transaction. The disclosures need not be given by any particular time before consummation, except in certain mortgage transactions ►and variable-rate transactions secured by the consumer's principal dwelling with a term greater than one year◄ under § 226.19. (See the commentary to §226.2(a))13) regarding the definition of consummation.)

2. **Converting open-end to closed-end credit.** If an open-end credit account is converted to a closed-end transaction under a written agreement with the consumer, the creditor must provide a set of closed-end credit disclosures before consummation of the closed-end transaction. ►(See the commentary to § 226.19(b)(2) for the timing rules for additional disclosures required upon the conversion to a variable-rate transaction secured by a consumer's principal dwelling with a term greater than one year.)◄ If consummation of the closed-end transaction occurs at the same time as the consumer enters into the open-end agreement, the closed-end credit disclosures may be given at the time of conversion. * * *

17(c) Basis of Disclosures and Use of Estimates

Paragraph 17(c)(1)

* * * * *

2. **Modification of obligation.** * * *

• If the creditor-employer offers a preferential employee rate, the disclosures should reflect the terms of the legal obligation. (See the commentary to section [226.18(f)] ►226.19(b)◄ for an example of a preferred-rate employee transaction that is a variable-rate transaction.)

* * * * *

►8. **Basis of disclosures in variable-rate transactions.** The disclosures for a variable-rate transaction and must be based on the terms in effect at the time of consummation. However, in a variable-rate transaction with either a seller buydown that is reflected in the credit contract or a consumer buydown, disclosures should not be based solely on the initial terms. In those transactions, the disclosed annual percentage rate should be a composite rate based on the lower rate for the buydown period and the rate that is the basis of the variable-rate feature for the remainder of the term. (See the commentary to §226/17(c) for a discussion of buydown transactions and the commentary to § 226.19(a)(2) for a discussion of the redisclosure of certain residential mortgage transactions with a variable-rate feature).

9. **Use of estimates in variable-rate transactions.** The variable-rate feature does not, by itself, make the disclosures estimates.

10. **Discounted variable-rate transactions.** In some variable-rate transactions, creditors may set an initial interest rate that is not determined by the index or formula used to make later interest rate adjustments. Typically, this initial rate charged to consumers is lower than the rate would be if it were calculated using the index or formula. However, in some cases the initial rate may be higher. In a discounted transaction, for example, a creditor may calculate interest rates according to a formula using the six-month Treasury bill rate plus a 2 percent margin. If the Treasury bill rate at consummation is 10 percent, the creditor may forgo the 2 percent spread and charge only 10 percent for a limited time, instead of setting an initial rate of 12 percent.

• When creditors use an initial interest rate that is not calculated using the index or formula for later rate adjustments, the disclosures should reflect a composite annual percentage rate based on the initial rate for as long as it is charged and, for the remainder of the term, the rate that would have been applied using the index or formula at the time of consummation. The rate at consummation need not be used if a contract provides for a delay in the implementation of changes in an index value. For example, if the contract specifies that rate changes are based on the index value in effect 45 days before the change date, creditors may use the index value in effect not more than 45 days before consummation in calculating a composite annual percentage rate.

• The effect of the multiple rates must also be reflected in the calculation and disclosure of the finance charge, total, of payments, and payment schedule.

• If a loan contains a rate or payment cap that would prevent the initial rate or payment, at the time of the first adjustment, from changing to the rate determined by the index or formula at consummation, the effect of that rate or payment cap should be reflected in the disclosures.

• Because these transactions involve irregular payment amounts, an annual percentage rate tolerance of ¼ of 1 percent applies, in accordance with § 226.22(a)(3) of the regulation.

• Examples of discounted variable-rate transactions include—

—A 30-year loan for $100,000 with no prepaid finance charges and rates determined by the Treasury bill rate plus 2 percent. Rate and payment adjustments are made annually. Although the Treasury bill rate at the time of consummation is 10 percent, the creditor sets the interest rate for one year at 9 percent, instead of 12 percent according to the formula. The disclosures should reflect a composite annual percentage rate of 11.63 percent based on 9 percent for one year and 12 percent for 29 years. Reflecting those two rate levels, the payment scheduled should show 12 payments of $804.62 and 348 payments of $1,025.31. The finance charge should be $226,463.32 and the total of payments $366,463.32.

—Same loan as above, except with a 2 percent rate cap on periodic adjustments. The disclosures should reflect a composite annual percentage rate of 11.53 percent based on 9 percent for the first year, 11 percent for the second year, and 12 percent for the remaining 28 years. Reflecting those three rate levels, the payment schedule should show 12 payments of $804.62, 12 payments of $950.09, and 336 payments of $1,024.34. The finance charge should be $265,234.76, and the total of payments $365,234.76.

—Same loan as above, except with a 7½ percent cap on payment adjustments. The disclosures should reflect a composite annual percentage rate of 11.64 percent, based on 9 percent for one year and 12 percent for 29 years. Because of the payment cap, five levels of payment should be reflected. The payment schedule should

show 12 payments of $804.62, 12 payments of $864.97, 12 payments of $929.86, 12 payments of $999.60, and 312 payments of $1,070.03. The finance charge should be $277,037.96, and the total of payments $377,037.96.

This paragraph does not apply to variable-rate loans in which the initial interest rate is set according to the index or formula used for later adjustments but is not set at the value of the index or formula at consummation. For example, if a creditor commits to an initial rate based on the formula on a date prior to consummation, but the index has moved during the period between that time and consummation, a creditor should base its disclosures on the initial rate.

11. *Other variable-rate transactions.* Examples of variable-rate transactions include:

- Renegotiable rate mortgage instruments that involve a series of short-term loans secured by a long-term obligation, where the lender is obligated to renew the short-term loans at the consumer's option. At the time of renewal, the lender has the option of increasing the interest rate. Disclosures must be given for the longer term of the obligation, with all disclosures calculated on the basis of the rate in effect at the time of consummation of the transaction.
- "Shared-equity" or "shared-appreciation" mortgages that have a fixed rate of interest and an appreciation share based on the consumer's equity in the mortgaged property. The appreciation share is payable in a lump sum at a specified time. Disclosures must be based on the fixed interest rate. (As discussed in § 226.2, other types of shared-equity arrangements are not considered "credit" and are not subject to Regulation Z.)
- Preferred-rate employee loans where the terms of the legal obligation provide that the rate will increase only if the employee leaves the employ of the creditor and the note reflects the preferred rate. The disclosures are to be based on that rate.

Graduated-payment mortgages and step-rate transactions without a variable-rate feature are not considered variable-rate transactions.◄

[8.] ►12◄. *Graduated-payment adjustable-rate mortgages.* * * *

►13. *Growth-equity mortgages.* Also referred to as payment-escalated mortgages, these mortgage plans involve scheduled payment increases to prematurely amortize the loan. The initial payment amount is determined as for a long-term loan with a fixed interest rate. Payment increases are scheduled periodically, based on changes in an index. The larger payments result in accelerated amortization of the loan. In disclosing these mortgage plans, creditors may either:

- Estimate the amount of payment increases, based on the best information reasonably available; or
- Disclose by analogy to the variable-rate disclosures in § 226.18(f)(1).

(This discussion does not apply to growth-equity mortgages in which the amount of payment increases can be accurately determined at the time of disclosure. For these mortgages, as for graduated-payment mortgages, disclosures should reflect the scheduled increases in payments.)◄

[9.]►14.◄ *Morris Plan transactions.* * * *

[10.] ►15.◄ *Number of transactions.* * * *

* * * * *

17(f) Early Disclosures

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3. *Content of new disclosures.* If redisclosure is required, the creditor has the option of either providing a complete set of new disclosures, or providing disclosures of only the terms that vary from those originally disclosed. (See the commentary to section [226.29(b)[►226.19(a)(2)◄.)

* * * * *

Section 226.18—Content of disclosures.

* * * * *

18(f) Variable Rate

1. *Coverage.* The requirements of § 226.18(f) apply to all transactions in which the terms of the legal obligation allow the creditor to increase the rate originally disclosed to the consumer. It includes not only increases in the interest rate but also increases in other components, such as the rate of required credit life insurance. The provisions, however, do not apply to increases resulting from delinquency (including late payment), default, assumption, acceleration or transfer of the collateral. ►Section 226.18(f)(1) applies to variable-rate transactions that are not secured by the consumer's principal dwelling and to those that are secured by the principal dwelling but have a term of one year or less. Section 226.18(f)(2) applies to variable-rate transactions that are secured by the consumer's principal dwelling and have a term greater than one year. Moreover, transactions subject to § 226.18(f)(2) are subject to the special early disclosure requirements of § 226.19(b). Creditors are permitted under footnote 43 to substitute in any variable-rate transaction the disclosures required under § 226.19(b) for those disclosures ordinarily required under § 226.18(f)(1). Creditors who provide variable-rate disclosures under § 226.19(b) must comply with all of the requirements of that section including the timing of disclosures, and must also provide the disclosures required under § 226.18(f)(2). Creditors utilizing footnote 43 may, but need not, also provide disclosures pursuant to § 226.20(c). (Substitution of disclosures under § 226.18(f)(1) in transactions subject to § 226.19(b) is not permitted under the footnote.)◄

[2. *Basis for disclosures.* * * *

[*Use of estimates.* * * *

[4.] ►2.◄ *Terms used in disclosure.* * * *

[5. *Other variable-rate regulations.* * * *

[6. *Examples of variable-rate transactions.* * * *

[7. *Growth equity mortgages.* * * *

[8. *Discounted variable-rate transactions.*

* * *

Paragraph [18(f)(1)] ►18(f)91)(i)◄

* * * * *

Paragraph [18(f)(2)] ►18(f)(1)(ii)◄

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Paragraph [18(f)(3)] ►18(f)(1)(iii)◄

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Paragraph [18(f)(4)] ►18(f)(1)(iv)◄

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►*Paragraph 18(f)(2)*

1. *Disclosure required.* In a variable-rate transaction that is for a term greater than one year and is secured by the consumer's principal dwelling, the creditor must give special early disclosure under § 226.19(b) in addition to the later disclosures required under § 226.18(f)(2). The disclosures under § 226.18(f)(2) must state that the variable-rate feature exists and that variable-rate disclosures have been provided earlier.◄

* * * * *

Section 226.19—Certain Residential Mortgage ►and Variable-Rate◄ Transactions

[19(a) Time of Disclosure]

►*19(a)(1) Time of Disclosure*◄

* * * * *

[19(b) Redisclosure Required]

►*19(a)(2) Redisclosure Required*◄

* * * * *

►*Certain Variable-Rate Transactions*

1. *Coverage.* Section 226.19(b) applies to all closed-end variable-rate transactions that are secured by the consumer's principal dwelling and have a term greater than one year. The requirements of this section apply not only to transactions financing the initial acquisition of the consumer's principal dwelling, but also to any other closed-end variable-rate transactions secured by the principal dwelling. Closed-end variable-rate transactions that are not secured by the principal dwelling, or are secured by the principal dwelling but have a term of one year or less are subject to the disclosure requirements of § 226.18(f)(1) rather than those of § 226.19(b).

2. *Timing.* A creditor must give the disclosures required under this section at the time an application form is provided or before the consumer pays a non-refundable fee, whichever is earlier. In cases where a creditor received a written application through an intermediary agent or broker, however, footnote 45b provides a substitute timing rule requiring the creditor to deliver the disclosures or place them in the mail not later than three business days after the creditor receives the consumer's written application. This three-day rule also applies where the creditor takes an application over the telephone. If, however, the consumer merely requests an application over the telephone, the creditor must include the early disclosures required under this section with the application that is sent to the consumer. In cases where the creditor solicits applications through the mail, the creditor must also send the disclosures required under this section if an application form is included with the solicitation. In cases where an open-end credit account is converted to a closed-end transaction subject to this section under a written agreement with the consumer, disclosures under this section should be given at the time of conversion. (See the commentary to § 226.20(a) for information on

the timing requirements for § 226.19(b)(2) disclosures when a variable-rate feature is later added to a transaction.).

Other variable-rate regulations. Transactions in which the creditor is required to comply with and has complied with the disclosure requirements of the variable-rate regulations of other federal agencies are exempt from the requirements of § 226.19(b), by virtue of footnote 45a. Those variable-rate regulations include the regulations issued by the Federal Home Loan Bank Board and those issued by the Department of Housing and Urban Development. The exception in footnote 45a is also available to creditors that are required by state law to comply with the federal variable-rate regulations noted above and to creditors that are authorized by title VIII of the Depository Institutions Act of 1982 (12 U.S.C. 3801 *et seq.*) to make loans in accordance with those regulations. Creditors using this exception should comply with the timing requirements of those regulations, if they differ, rather than the timing requirements of Regulation Z in making the variable-rate disclosures.

4. *Examples of variable-rate transactions.* The following transactions, if they are for a term greater than one year and are secured by the consumer's principal dwelling, constitute variable-rat transactions subject to the disclosure requirements of § 226.19(b). (If these variable-rate transactions either are not secured by the consumer's principal dwelling, or have a term of one year or less, § 226.18(f)(1) applies rather than § 226.19(b).)

- Renegotiable rate mortgage instruments that involve a series of short-term loans secured by a long-term obligation, where the lender is obligated to renew the short-term loans at the consumer's option. At the time of renewal, the lender has the option of increasing the interest rate.
- "Shared-equity" or "shared-appreciation" mortgages that have a fixed rate of interest and an appreciation share based on the consumer's equity in the mortgage property. The appreciation share is payable in a lump sum at a specified time. The requirements of § 226.19(b)(2) (iv), (v), (viii), (ix), (x) and (xii) do not apply to shared-equity mortgages, however. (As discussed in § 226.2, other types of shared-equity arrangements are not considered "credit" and are not subject to Regulation Z.)
- Preferred-rate employee loans where the terms of legal obligation provide that the initial underlying rate is fixed, but will increase if the employee leaves the employ of the creditor, and the note reflects the preferred rate. The disclosures under § 226.19(b)(2) (v), (viii), (ix), (x), (xii), and (xiii) do not apply to such loans.

Graduated-payment mortgages and step-rate transactions without a variable-rate feature are not considered variable-rate transactions.

Paragraph 19(b)(1)

1. *Substitutes.* Creditors who wish to use publications other than the *Consumer Handbook on Adjustable Rate Mortgages* must make a good faith determination that their brochures are suitable substitutes to the *Consumer Handbook.* A substitute is suitable if it is, at a minimum, comparable to the *Consumer Handbook* in substance and comprehensiveness. Creditors are permitted to provide more detailed information than is contained in the *Consumer Handbook.*

Paragraph 19(b)(2)

1. *Disclosure for each variable-rate program.* In variable-rate transactions subject to § 226.19(b) requirements, a creditor must provide disclosures that fully describe each of the creditor's variable-rate loan programs in which the consumer expresses an interest at the time an application form is provided or before the consumer pays a non-refundable fee, whichever is earlier. Moreover, if a consumer requests disclosures for other closed-end variable-rate programs subject to § 226.19(b), a creditor must provide disclosures for as many other of its programs as the consumer requests. The creditor, of course, is permitted to give the consumer information about all of its programs subject to § 226.19(b) initially. In addition, these disclosures may be inserted in the *Consumer Handbook* (or a suitable substitute) as long as they are identified as the creditor's loan program disclosures.

2. *Variable-rate loan program defined.* If the identification, the presence or absence, or the exact value of a loan feature must be disclosed under this section, variable-rate loans that differ as to such features constitute separate loan programs. For example, separate loan program disclosures would be required based on differences in any of the following loan features:

- The index or other formula used to calculate interest rate adjustments
- The rules relating to changes in the index, interest rate, payments, and loan balance
- The presence or absence of, and the amount of, rate or payment caps
- The presence of a balloon or a demand feature
- The possibility of negative amortization
- The possibility of interest rate carryover
- The frequency of interest rate and payment adjustments
- The presence of a discount feature

In addition, if a loan feature must be taken into account in preparing the disclosure required by § 226.19(b)(2)(ix), variable-rate loans that differ as to that feature constitute separate programs and require separate loan program disclosures under § 226.19(b)(2). If, however, a representative value may be given for a loan for a loan feature or the feature need not be disclosed under § 226.19(b)(2), variable-rate loans that differ as to such features do not constitute separate loan programs. For example, separate program disclosures would not be required based on differences in the following loan features:

- The amount of a discount
- The amount of a margin

3. *As applicable.* The disclosures required by this section need only be made as applicable. Any disclosure not relevant to a particular transaction may be eliminated. For example, if the transaction does not contain a demand feature, the disclosure required under § 226.19(b)(2)(xii) need not be given.

4. *Revisions.* A creditor must revise the disclosures required under this section once a year when the new index value becomes available. A change in the loan program, however, would require new disclosures.

Paragraph 19(b)(2)(i)

1. *Change in interest rate, payment, or term.* A creditor must disclose the fact that the terms of the legal obligation permit the creditor, after consummation of the transaction, to increase (or decrease) the interest rate, payment, or term of the loan initially disclosed to the consumer. For example, the disclosures for a variable-rate program in which the interest rate and payment (but not loan term) can change might read, "Your interest rate and payment can change yearly."

Paragraph 19(b)(2)(ii)

1. *Identification of index or formula.* If a creditor ties interest rate changes to a particular index, this fact must be disclosed, along with a source of information about the index. For example, if a creditor uses the weekly average yield on U.S. Treasury Securities adjusted to a constant maturity as its index, the disclosure might read, "Your index is the weekly average yield on U.S. Treasury Securities adjusted to a constant maturity of one year published weekly in the Wall Street Journal." If no particular index is used, the creditor must briefly describe the formula used to calculate interest rate changes.

2. *Changes at creditor's discretion.* If interest rate changes are at the creditor's discretion, this fact must be disclosed. If an index is internally defined, such as by a creditor's prime rate, the creditor should either briefly describe that index or state that interest rate changes are at the creditor's discretion.

Paragraph 19(b)(2)(iii)

1. *Determination of interest rate and payment.* This provision requires an explanation of how the creditor will determine the consumer's interest rate and payment. In cases where a creditor bases its interest rate on a specific index and adjusts the index through the addition of a margin, for example, the disclosure might read, "Your interest rate is based on the index plus a margin, and your payment will be based on the interest rate, loan balance, and remaining loan term."

Paragraph 19(b)(2)(iv)

1. *Current margin value and interest rate.* Because the disclosures can be prepared in advance, the interest rate and margin may be several months old when the disclosures are delivered. A statement, therefore, is required alerting consumers to the fact that they should inquire about the current margin value applied to the index and the current interest rate. For example, the disclosure might state, "You should ask us for our current interest rate and margin."

Paragraph 19(b)(2)(v)

1. *Discounted interest rate.* In some variable-rate transactions, creditors may set an initial interest rate that is not determined by the index or formula used to make later interst rate adjustments. Typically, this initial rate charged to consumers is lower than the rate would be if it were calculated using the index or formula. However, in some cases the initial rate may be higher. If the initial interest rate contains a discount feature, creditors must alert the consumer to this fact. For example, if a creditor discounted a consumer's initial rate, the disclosure might state, "Your initial interst rate is not based on the index used to make later adjustments." (See the commentary to § 226.17(c)(1) for a further discussion of discounted variable-rate transactions.) In addition, the disclosure must suggest that consumers inquire about the amount that the program is currently discounted. For example, the disclosure might state, "Ask us for the amount our Adjustable Rate Mortgages are currently discounted." (See the commentary to § 226.19(b)(2)(viii) for a discussion of how to reflect the discount in the historical example.)

Paragraph 19(b)(2)(vi)

1. *Frequency.* The frequency of interest rate and payment adjustments must be disclosed. If interest rate changes will be imposed more frequently or at different intervals than payment changes, a creditor must reveal the frequency and timing of both types of changes. For example, in a variable-rate transaction where interest rate changes are made monthly, but payment changes occur on an annual basis, this fact must be disclosed.

Paragraph 19(b)(2)(vii)

1. *Rate and payment caps.* The creditor must disclose limits on changes (increases or decreases) in the interest rate or payment, although the absence of such limits need not be stated. If an initial discount is not taken into account in applying overall or periodic rate limitations, that fact must be disclosed. If separate overall or periodic limitations apply to interest rate increases resulting from other events, such as the exercise of a fixed-rate conversion option or leaving the creditor's employ, those limitations must also be stated. Limitations do not include legal limits in the nature of usury or rate ceilings under state or federal statutes or regulations. (See § 226.30 for the rule requiring that a maximum interest rate be included in certain variable-rate transactions.)

2. *Negative amortization and interest rate carryover.* A creditor must disclose, where applicable, the possibility of negative amortization. For example, the disclosure might state, "If any of your payments is not sufficient to cover the interest due, the difference will be added to your loan amount." In addition, the creditor must disclose the existence of any interest rate carryover provisions. Interest rate carryover exists when a change in the index rate that is not imposed at the time of an adjustment because, for example, it exceeds an adjustment limitation, is carried over and incorporated into the calculation of future rate adjustments. For example, if the index rates 3 percentage points during the year, the loan contains a 2 percentage point cap on annual changes (increases or decreases) in the interest rate, and the creditor may impose the additional percentage point the following year, the creditor must disclose the fact that changes in the index will be carried over to subsequent interest rate adjustment rates. The disclosure might state, "Changes in the index not passed on as changes in the interest rate will be carried over to subsequent interest rate adjustment dates."

3. *Conversion option.* If a loan program permits consumers to convert their variable-rate loans to fixed-rate loans, the creditor must disclose that the interest rate may increase if the consumer converts the loan to a fixed-rate loan. The creditor must also disclose the rules relating to the conversion feature, such as the period during which the loan may be converted; any fee that may be charged at conversion; and how the fixed rate will be determined. The creditor should identify any index used and state the margin to be added to determine the fixed rate. (In disclosing the period during which the loan may be converted, the margin, and any fees to be charged at conversion, the creditor may use information applicable to the conversion feature during the six months preceding preparation of the disclosures. That information may be used until the program disclosures are otherwise updated.) Although the rules relating to the conversion option must be disclosed, the effect of exercising the option should not be reflected elsewhere in the disclosures, such as in the historical example or in the calculation of the initial and maximum interest rate and payments.

4. *Preferred-rate employee loans.* Section 226.19(b) applies to preferred-rate employee loans, where the rate will increase if the employee leaves the creditor's employ, whether or not the underlying rate is fixed or variable. In these transactions, the creditor must disclose that the rate may increase if the employee leaves the creditor's employ. The creditor must also disclose the rules relating to termination of the employee's preferred-rate, such as any fees that may be charged when the rate is changed and how the new rate will be determined.

Paragraph 19(b)(2)(viii)

1. *Index movement.* This section requires a creditor to provide an historical example, based on a $10,000 loan amount originating in 1977, showing how interest rate changes implemented according to the terms of the loan program would have affected payments and the loan balance at the end of each year during a 15-year period. (In all cases, the creditor need only calculate the payments and loan balance for the term of the loan. For example, in a five-year loan, a creditor would show the payments and loan balance for the five-year term, from 1977 to 1981 with a zero loan balance reflected for 1981. For the remaining ten years, 1982–1991, the creditor need only show the remaining index values.) Pursuant to this section, the creditor must provide a history of index values for the preceding 15 years. Initially, the disclosures would give the index values from 1977 to the present. Each year thereafter, the revised program disclosures should include an additional year of index values until 15 years of values are shown. If the values for an index have not been available for 15 years, a creditor need only go back as far as the values are available in giving a history and payment example. In all cases, only one index value per year need be shown. Thus, in transactions where interest rate adjustments are implemented more frequently than once per year, a creditor may assume that the interest rate and payment resulting from the index value chosen will stay in effect for the entire year for purposes of calculating the loan balance as of the end of the year and for reflecting other loan program terms. If a creditor uses an average of index values or any other index formula, the history given should reflect those values. The creditor should select one date or, when an average of single values is used as an index, one period and should base the example on index values measured as of that same date or period for each year shown in the history. In cases where interest rate changes are at the creditor's discretion (see the commentary to § 226.19(b)(2)(ii)), the creditor must provide a history of the rates imposed for the preceding period, beginning with the initial history of rates starting in 1977. In giving this history, the creditor need only go back as far as as the creditor's rates can reasonably be determined.

2. *Selection of margin.* For purposes of the disclosure required under § 226.19(b)(2)(viii), a creditor may select a margin that has been used during the six months preceding preparation of the disclosures, and should disclose that the margin is one that the creditor has used recently. The margin selected may be used until a creditor updates the disclosure form to reflect the most recent index values.

3. *Amount of discount.* For purposes of the disclosure required under § 226.19(b)(2)(viii), a creditor may select a discount (amount and term) that has been used during the six months preceding preparation of the disclosures, and should disclose that the discount is one that the creditor has used recently. The discount should be reflected in the historical example for as long as the discount is in effect. A creditor may assume that a discount has been in effect for a full year for purposes of reflecting the discount in the historical example.

Paragraph 19(b)(2)(ix)

1. *Calculation of payments.* A creditor is required to include a statement on the disclosure form that explains how a consumer may calculate his or her actual monthly payments for a loan amount other than $10,000. The example should be based

upon the most recent payment shown in the historical example. The creditor, however, is not required to calculate the consumer's payments. (See the model clauses in Appendix H-4(C).)

Paragraph 19(b)(2)(x)

1. *Initial and maximum interest rate and payment.* The disclosure form must state the initial and maximum interest rates and payments for a $10,000 loan originated at the most recent interest rate (index value plus margin) shown in the historical example. In calculating the maximum payments under this paragraph, a creditor should assume that the interest rate increases as rapidly as possible under the loan program, and the maximum payment disclosed should reflect the amortization of the loan during this period. Thus, in a loan with 2 percentage point annual (and 5 percentage point overall) interest rate limitations or "caps," the maximum interest rate would be 5 percentage points higher than the most recent rate shown in the historical example. Moreover, the loan would not reach the maximum interest rate until the fourth year because of the 2 percentage point annual rate limitations, and the maximum payment disclosed would reflect the amortization of the loan during this period. If the loan program includes a discounted initial interest rate, the most recent rate shown in the historical example should be discounted by the amount of the discount reflected elsewhere in the disclosure for purposes of calculating the initial and maximum interest rates and payments. If a discount is reflected, the disclosure of the initial and maximum rates and payments should state the amount by which the most recent rate has been discounted. (See comment 19(b)(2)(viii)-3 regarding disclosure of the amount of a discount.)

Paragraph 19(b)(2)(xi)

1. *Demand feature.* If a variable-rate loan subject to § 226.19(b) requirements contains a demand feature, this fact must be disclosed. (pursuant to § 226.18(i), creditors would also disclose the demand feature in the standard disclosures given later.)

Paragraph 19(b)(2)(xii)

1. *Adjustment notices.* A creditor must disclose to the consumer the type of information that will be contained in subsequent notices of adjustments and when such notices will be provided. (See § 226.20(c) regarding notices of adjustments.) For example, in transactions providing that payment adjustments may accompany each interest rate adjustment, the disclosure might state, "You will be notified at least 25, but no more than 120, days before the due date of a payment at a new level. This notice will contain information about the index and interest rates, payment amount, and loan balance." In transactions where there may be interest rate adjustments without accompanying payment adjustments in a year, the disclosure might read, "You will be notified once each year during which interest rate adjustments, but no payment adjustments, have been made to your loan. This notice will contain information about the index and interest rates, payment amount, and loan balance."

Paragraph 19(b)(2)(xiii)

1. *Multiple loan programs.* A creditor that offers multiple variable-rate loan programs is required to have disclosures for each variable-rate loan program subject to § 226.19(b)(2). The creditor must inform the consumer that other closed-end variable-rate programs exist, and that disclosure forms are available for these additional loan programs. For example, the disclosure form might state, "Information on other Adjustable Rate Mortgage programs is available upon request."◄

Section 226.20—Subsequent disclosure requirements.

20(a) Refinancings

* * * * *

3. *Variable rate.* If a variable-rate feature was properly disclosed under the regulation, a rate change in accord with those disclosures is not a refinancing. For example, a renegotiable rate mortgage that was disclosed as a variable-rate transaction is not subject to new disclosure requirements when the variable-rate feature is invoked. However, even if it is not accomplished by the cancellation of the old obligation and substitution of a new one, a new transaction subject to new disclosures results if the creditor either:

- Increases the rate based on a variable-rate feature that was not previously disclosed, or
- Adds a variable-rate feature to the obligation.

►If either of these two events occurs in a variable-rate transaction secured by a principal dwelling with a term longer than one year, the disclosures required under § 226.19(b)(2) also must be given at that time.◄

* * * * *

20(b) Assumptions

* * * * *

6. *Disclosures.* For transactions that are assumptions within this provision, the creditor must make disclosures based on the "remaining obligation." For example:

* * *

If a transaction involves add-on or discount finance charges, the creditor may make abbreviated disclosures, as outlined in § 226.20(b)(1) through (5). ►Creditors providing disclosures pursuant to this section for assumptions of variable-rate transactions secured by the consumer's principal dwelling with a term longer than one year need not provide new disclosures under § 226.18(f)(2)(ii) or § 226.19(b) or periodic notices under § 226.20(c). Alternatively, a creditor may disclose the variable-rate feature of such a transaction solely in accordance with § 226.18(f)(1).◄

►20(c) Variable-Rate Adjustments

1. *Timing and content of adjustment notices.* This section requires a creditor to provide certain disclosures in cases where an adjustment to the interest rate is made in a variable-rate transaction subject to § 226.19(b). There are two timing rules, depending on whether payment changes may accompany interest rate changes. In transactions where the interest rate may be adjusted more frequently than the payment, a creditor is required to send at least one notice each year during which interest rate adjustments have occurred without accompanying payment adjustments. In transactions providing for payment adjustments to accompany interest rate adjustments, a creditor must deliver or place in the mail notices to borrowers at least 25, but not more than 120, calendar days before a payment at a new level is due. In all cases, the disclosure must include, as applicable, the new payment amount, the current and prior interest and index rates and the loan balance, and must notify the consumer of the extent to which any increase in the interest rate has been foregone. The disclosure must also state the payment that would be required to fully amortize the loan if this amount is different from the payment already disclosed. (In cases where an open-end account is converted to a transaction subject to § 226.19(b), the requirements of this section do not apply until adjustments are made following conversion.)

2. *Exceptions.* Section 226.20(c) does not apply to shared-equity loans and preferred-rate employee loans with an underlying fixed rate.◄

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Appendix H—Closed-End Model Forms and Clauses

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4. *Model H-4*►(A)◄.* * *

5. ►*Model H-4(B).* This model clause illustrates the variable rate disclosure required under § 226.18(f)(2), which would alert consumers to the fact that the transaction contains a variable-rate feature and that earlier disclosures were provided under § 226.19(b) in cases where the variable-rate transaction is secured by the consumer's principal dwelling with a term greater than one year.◄

6. ►*Model H-4(C).* This model clause illustrates the early disclosures required generally under § 226.19(b) when the variable-rate transaction is secured by the consumer's principal dwelling and is for a term greater than on year. It includes information on how the consumer's interest rate is determined and how it can change over the term of the loan, and explains changes that may occur in the borrower's monthly payment. The model clause also contains an example of how to disclose historical changes in the index or formula values used to compute interest rates for the preceding 15 years. In addition, the model clause illustrates the disclosure of the initial and maximum interest rates and payments for a loan originated at the most recent rate shown in the historical example.◄

7. ►*Model H-4(D).* This model clause illustrates the adjustment notice required under § 226.20(c), and provides examples of payment change notices and annual notices of interest rate changes.◄

[5.] ►8.◄*Model H-5.** * *

[6.] ►9.◄*Model H-6.** * *

[7.] ►10.◄*Model H-7.** * *

[8.] ►11.◄*Models H-8 and H-9.** * *

[9.] ►12.◄*Sample forms.** * *

[10.] ►13.◄*Sample H-10.* * * *
[11.] ►14.◄*Sample H-11.* * * *
[12.] ►15.◄*Sample H-12.* * * *
[13.] ►16.◄*Sample H-13 through H-15.* * * *
[14.] ►17.◄*Sample H-13.* * * *

18.►*Sample H-14K.* This sample disclosure form illustrates the disclosures under § 226.19(b) for a variable-rate transaction secured by the consumer's principal dwelling with a term greater than one year. The sample form shows a creditor how to adapt the model clauses in Appendix H-4(C) to the creditor's own particular variable-rate program. The sample disclosure form describes the features of a specific variable-rate mortgage program and alerts the consumer to the fact that information on the creditor's other closed-end variable-rate programs is available upon request. It includes information on how the interest rate is determined and how it can change over time, and explains how the monthly payment can change based on a $10,000 loan amount, payable in 360 monthly installments, based on historical changes in the values of the weekly average yield on U.S. Treasury Securities adjusted to a constant maturity of one year. Index values are measured as of the first week ending in July for the years 1977 through 1987. This reflects the requirement that the index history be based on values for the same date or period each year beginning with index values for 1977. The index history in 1988 would contain fewer than 15 years of index values. In making these disclosures in 1992, however, a creditor would need to show a full 15-year index history. In 1993, the index history would cover the years 1978 through 1992. The sample disclosure also illustrates the requirement under § 226.19(b)(2)(x) that the initial and the maximum interest rates and payments be shown for a $10,000 loan originated at the most recent rate shown in the historical example. In the sample, the loan is assumed to have an initial interest rate of 9.71% (which was the interest rate in 1987 for the example shown) and to have 2 percentage point annual (and 5 percentage point overall) interest rate limitations or caps. Thus, the maximum amount that the interest rate could rise under this program is 5 percentage points higher than the 9.71% initial rate to 14.71%, and the monthly payment could rise from $85.62 to a maximum of $123.31. The loan would not reach the maximum interest rate until its fourth year because of the 2 percentage point annual rate limitations, and the maximum payment disclosed would reflect the amortization of the loan during that period. The sample form also illustrates how to provide consumers with a method of calculating their actual monthly payment for a loan amount other than $10,000.◄

[16.] ►19.◄*Sample H-15.* * * *
[17.] ►20.◄*HRSA-500-1 9-82.* * * *
[18.] ►21.◄*HRSA-500-2 9-82.* * * *
[19.] ►22.◄*HRSA-502-1 9-82.* * * *
[20.] ►23.◄*HRSA-502-2 9-82.* * * *

* * * * *

Board of Governors of the Federal Reserve System, December 21, 1987.

William W. Wiles,

Secretary of the Board.

[FR Doc. 87-29557 Filed 12-23-87; 8:45 am]

BILLING CODE 6210-01-M

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 71

[Airspace Docket No. 87-ASW-34]

Proposed Revision of Transition Area; Johnson City, TX

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of proposed rulemaking.

SUMMARY: This proposal would revise the transition area located at Johnson City, TX. The closure of the Shepherd Farm Airport, with the subsequent cancellation of the associated Standard Instrument Approach Procedure (SIAP) to the Shepherd Farm Airport, and the decommissioning of the Johnson City nondirectional radio beacon (NDB), with the subsequent cancellation of the associated NDB SIAP to the Johnson City Airport, have necessitated this revision. The intended effect of this proposed revision would release that controlled airspace no longer required for aircraft executing the SIAP to the Shepherd Farm Airport and the NDB SIAP to the Johnson City Airport. This revision would provide adequate controlled airspace for the VOR-B SIAP now serving the Johnson City Airport. Coincident with this action, the instrument flight rules (IFR) status of the Shepherd Farm Airport would be canceled.

DATE: Comments must be received on or before January 20, 1988.

ADDRESSES: Send comments on the proposal in triplicate to: Manager, Airspace and Procedures Branch, Air Traffic Division, Southwest Region, Docket No. 87-ASW-34, Department of Transportation, Federal Aviation Administration, Fort Worth, TX 76193-0530.

The official docket may be examined in the Office of the Regional Counsel, Southwest Region, Federal Aviation Administration, 4400 Blue Mound Road, Fort Worth, TX.

FOR FURTHER INFORMATION CONTACT: Bruce C. Beard, Airspace and Procedures Branch, Department of Transportation, Federal Aviation Administration, Fort Worth, TX 76193-0530; telephone: (817) 624-5561.

SUPPLEMENTARY INFORMATION:

Comments Invited

Interested parties are invited to participate in this proposed rulemaking by submitting such written data, views, or arguments as they may desire. Comments that provide the factual basis supporting the views and suggestions presented are particularly helpful in developing reasoned regulatory decisions on the proposal. Comments are specifically invited on the overall regulatory, economic, environmental, and energy aspects of the proposal. Communications should identify the airspace docket and be submitted in triplicate to the address listed above. Commenters wishing the FAA to acknowledge receipt of their comments on this notice must submit with those comments a self-addressed, stamped postcard on which the following statement is made: "Comments to Airspace Docket No. 87-ASW-34."

The postcard will be date/time stamped and returned to the commenter. All communications received before the specified closing date for comments will be considered before taking action on the proposed rule. The proposal contained in this notice may be charged in the light of comments received. All comments submitted will be available for examination in the Office of the Regional Counsel, 4400 Blue Mound Road, Fort Worth, TX, both before and after the closing date for comments. A report summarizing each substantive public contact with FAA personnel concerned with this rulemaking will be filed in the docket.

Availability of NPRM's

Any person may obtain a copy of this notice of proposed rulemaking (NPRM) by submitting a request to the Manager, Airspace and Procedures Branch, Department of Transportation, Federal Aviation Administration, Fort Worth, TX 76193-0530. Communications must identify the notice number of this NPRM. Persons interested in being placed on a mailing list for future NPRM's should also request a copy of Advisory Circular No. 11-2 which describes the application procedure.

The Proposal

The FAA isconsidering an amendment to § 71.181 of the Federal Aviation Regulations (14 CFR Part 71) by revising the transition area located at Johnson City, TX. The closure of the Shepherd Farm Airport, decommissioning of the Johnson City NDB, and the cancellation of the associated SIAP's necessitated the need for this revision. The intended

effect of this revision would release that controlled airspace no longer required for aircraft executing the respective SIAP's to the Shepherd Farm Airport and the Johnson City Airport. This revision would reduce the existing 700-foot transition area to a 7-mile radius of the Johnson City Airport and would provide adequate controlled airspace for the VOR-B SIAP now serving the Johnson City Airport. Coincident with this action, the IFR status of the Shepherd Farm Airport would be canceled. Section 71.181 of Part 71 of the Federal Aviation Regulations was republished in Handbook 7400.6C, dated January 2, 1987.

The FAA has determined that this regulation only involves an established body of technical regulations for which frequent and routine amendments are necessary to keep them operationally current. It, therefore (1) is not a "major rule" under Executive Order 12291; (2) is not a "significant rule" under DOT Regulatory Policies and Procedures (44 FR 11034; February 26, 1979); and (3) does not warrant preparation of a regulatory evaluation as the anticipated impact is so minimal. Since this is a routine matter that will only affect air traffic procedures and air navigation, it is certified that this rule, when promulgated, will not have a significant impact on a substantial number of small entities under the criteria of the Regulatory Flexibility Act.

List of Subjects in 14 CFR Part 71

Aviation safety, Transition area.

The Proposed Amendment

Accordingly, pursuant to the authority delegated to me, the FAA proposes to amend Part 71 of the Federal Aviation Regulations (14 CFR Part 71) as follows:

PART 71—[AMENDED]

1. The authority citation for Part 71 continues to read as follows:

Authority: 49 U.S.C. 1348(a), 1354(a), 1510; Executive Order 10854; 49 U.S.C. 106(g) (Revised Pub. L. 97-449, January 12, 1983); 14 CFR 11.69.

§ 71.181 [Amended]

2. Section 71.181 is amended as follows:

Johnson City, TX [Revised]

That airspace extending upward from 700 feet above the surface within a 7-mile radius of the Johnson City Airport (latitude 30°15'05" N., longitude 98°37'21" W.).

Issued in Fort Worth, TX, on December 2, 1987.

Larry L. Craig,

Manager, Air Traffic Division, Southwest Region.

[FR Doc. 87-29491 Filed 12-23-87; 8:45 am]

BILLING CODE 4910-13-M

FEDERAL TRADE COMMISSION

16 CFR Part 500

Fair Packaging and Label Act

AGENCY: Federal Trade Commission.

ACTION: Request for comments.

SUMMARY: The Federal Trade Commission ("FTC"), in accordance with the Regulatory Flexibility Act and publication of a Plan for the Periodic Review of Commission Rules, 46 F.R. 35118 (July 7, 1981), is soliciting comments and data on whether the Rules and Regulations Under the Fair Packaging and Labeling Act, 16 CFR Part 500 ("the Rules") have had a significant economic impact on small entities, and if they have, whether the Rules should be amended to minimize this impact.

DATE: All comments and data should be received by the Commission no later than January 25, 1988.

ADDRESS: Comments and data should be sent to: Secretary, Federal Trade Commission, Washington, D.C. 20580. Submissions should be identified as "FPLA Rules—RFA Comment".

FOR FURTHER INFORMATION CONTACT: James G. Mills, (202) 326-3035, Attorney, Division of Enforcement, Bureau of Consumer Protection, Federal Trade Commission, Washington, DC 20580.

SUPPLEMENTARY INFORMATION: The Regulatory Flexibility Act, Pub. L. 96-354, 94 Stat. 1164, 5 U.S.C. 601 et seq. (the "RFA"), requires that the FTC conduct a periodic review of rules that have or will have a significant economic impact upon a substantial number of small entities.

The Fair Packaging and Labeling Act, 15 U.S.C. 1453-1455 (the "FPLA"), was enacted in order to eliminate consumer confusion in the marketplace; to standardize the means used by sellers to disclose package content information to buyers; and to eliminate consumer deception and confusion concerning product size representations. Section 2 of the Act states Congress's policy on informing consumers: "Packages and their labels should enable consumers to obtain accurate information as to the quantity of the contents and should facilitate value comparisons." 15 U.S.C. 1451.

The Federal Trade Commission has enforcement responsibility over package disclosures placed upon "consumer commodities" as defined in the FPLA. The Food and Drug Administration and the U.S. Department of Agriculture have analogous responsibilities and regulations covering foods, drugs, devices and cosmetics, and meat and poultry products, respectively.

In 1968, the Commission issued rules implementing the Fair Packaging and Labeling Act. These rules are codified at 16 CFR Part 500. The FPLA regulations, which closely parallel the Act's requirements, establish requirements for the manner and form of the labeling of consumer commodities (as defined in the FPLA) with: (1) The identity of the commodity; (2) the name and place of business of the manufacturer, packer or distributor; (3) the net quantity of contents; and (4) the net quantity of servings, uses or applications represented to be present, 16 CFR 500.3-500.26. The rules also require sellers that make "cents off," "introductory offer," or "economy size" claims to keep records for one year showing compliance with the Act's substantiation requirements for such claims. (16 CFR 502.100-500.103.)

The purpose of this review is limited to determining whether the Rules should be continued without change, or should be amended or rescinded, consistent with the stated objectives of the applicable statute, to minimize any significant economic impact of the Rules upon a substantial number of small entities.

In order to conduct the periodic review of these Rules pursuant to the RFA, the Commission poses the following questions for comment. The Commission requests that factual data (*e.g.*, economic and accounting information, statistical analysis, surveys, studies, etc.) upon which submitted comments are based be included with the comments.

(1) Have the Rules had a significant economic impact (costs and/or benefits) on a substantial number of small entities? Please describe the details of any significant negative and/or positive economic impact.

(2) Is there a continued need for the Rules and all of their requirements?

(3)(a) What burdens, if any, does compliance with the Rules place on small entities?

(b) To what extent are these burdens that small entities would experience under standard and prudent business practice?

(4) What changes, if any, should be made to the Rules that would minimize the economic effect on small entities?

(5) To what extent do the Rules overlap, duplicate or conflict with other federal, state and local government rules?

(6) Have technology, economic conditions or other factors changed in the area affected by the Rules since their promulgation in 1968 and, if so, what effect do these changes have on the Rules or those covered by them?

List of Subjects in 16 CFR Part 500

Packaging, Labeling, Trade practices.

Authority: The Regulatory Flexibility Act, 5 U.S.C. 601 *et seq.* (1980).

By direction of the Commission.

Emily H. Rock,

Secretary.

[FR Doc. 87-29509 Filed 12-23-87; 8:45 am]

BILLING CODE 6750-01-M

DEPARTMENT OF TRANSPORTATION

Coast Guard

33 CFR Part 117

[CGD8-87-14]

Drawbridge Operation Regulations; Gulf Intracoastal Waterway, Louisiana

AGENCY: Coast Guard, DOT.

ACTION: Proposed rule.

SUMMARY: At the request of the St. Mary Parish Council and the Louisiana Department of Transportation and Development, the Coast Guard is considering a change to the regulation governing the operation of the swing span bridge on State Route 319 over the Gulf Intracoastal Waterway, mile 134.0 near Cypremort, St. Mary Parish, Louisiana, by permitting the draw to remain closed to navigation from 6:55 to 7:10 a.m. and 3:50 to 4:05 p.m. Monday through Friday, except holidays, from 15 August to 5 June. Presently the draw opens on signal. This proposal is being made to allow school buses to pass without delays because of bridge openings. This action should accommodate the needs of vehicular traffic and still provide for the reasonable needs of navigation.

DATE: Comments must be received on or before February 8, 1988.

ADDRESS: Comments should be mailed to Commander (ob), Eighth Coast Guard District, 500 Camp Street, New Orleans, Louisiana 70130-3396. The comments and other materials referenced in this notice will be available for inspection and copying in Room 1115 at this address. Normal office hours are between 8:00 a.m. and 3:30 p.m., Monday through Friday, except holidays. Comments may also be hand-delivered to this address.

FOR FURTHER INFORMATION CONTACT: John Wachter, Bridge Administration Branch, at the address given above, telephone (504) 589-2965.

SUPPLEMENTARY INFORMATION: Interested persons are invited to participate in this proposed rulemaking by submitting written views, comments, data or arguments. Persons submitting comments should include their names and addresses, identify the bridge, and give reasons for concurrence with or any recommended change in the proposal. Persons desiring acknowledgment that their comments have been received should enclose a stamped, self-addressed postcard or envelope.

The Commander, Eighth Coast Guard District, will evaluate all communications received and determine a course of final action on this proposal. This proposed regulation may be changed in the light of comments received.

Drafting Information

The drafters of this notice are John Wachter, project officer, and Lieutenant Commander James Vallone, project attorney.

Discussion of Proposed Regulation

Vertical clearance of the bridge in the closed position is 4 feet above mean high water. Navigation through the bridge consists of all types of recreational traffic including outboard and inboard powered vessels, large and small, and sailing vessels of various sizes. Commercial traffic on the waterway includes considerable barge traffic transporting petroleum products, chemicals, cement, shells, manufactured industrial goods, and miscellaneous food products. A review of the bridge logs indicates that the bridge opens about once every two days on average during both the proposed 15-minute moring closure period and the proposed 15-minute afternoon closure period.

Economic Assessment and Certification

This proposed regulation is considered to be non-major under Executive Order 12291 on Federal Regulation and nonsignificant under the Department of Transportation regulatory policies and procedures (44 FR 11034: February 26, 1979).

The economic impact of this proposal is expected to be so minimal that a full regulatory evaluation is unnecessary. The basis for this conclusion is that the duration of the proposed closures is so minimal and would be in effect only during the school year, that vessels can easily schedule passages to avoid the proposed 15-minute closures. Since the economic impact of this proposal is expected to be minimal, the Coast Guard certifies that, if adopted, it will not have a significant economic impact on a substantial number of small entities.

List of Subjects in 33 CFR Part 117

Bridges.

Proposed Regulation

In consideration of the foregoing, the Coast Guard proposes to amend part 117 of Title 33, Code of Federal Regulations, as follows:

PART 117—DRAWBRIDGE OPERATION REGULATIONS

1. The authority citation for Part 117 continues to read as follows:

Authority: 33 U.S.C. 499; and 49 CFR 1.46 and 33 CFR 1.05-1(g).

2. Section 117.451 is amended by redesignating existing paragraph (d) as paragraph (e) and by adding a new paragraph (d) to read as follows:

§ 117.451 Gulf Intracoastal Waterway.

* * * * *

(d) The draw of the SR319 (Louisa) bridge across the Gulf Intracoastal Waterway, mile 134.0 near Cypremort, shall open on signal; except that, the draw need not be opened from 6:55 to 7:10 a.m. and from 3:50 to 4:05 p.m. Monday through Friday except holidays from 15 August to 5 June.

* * * * *

Peter J. Rots,

Rear Admiral, U.S. Coast Guard Commander, Eighth Coast Guard District.

Dated: December 3, 1987.

[FR Doc. 87-29516 Filed 12-23-87; 8:45 am]

BILLING CODE 4910-14-M

33 CFR Parts 140, 143, and 146

[CGD 84-098b]

Emergency Evacuation Plan for Manned OCS Facilities

AGENCY: Coast Guard, DOT.

ACTION: Notice of proposed rulemaking.

SUMMARY: The Coast Guard is proposing to issue regulations which would require a comprehensive, site specific contingency plan for the emergency evacuation of all personnel from manned fixed facilities and Mobile Offshore Drilling Units on the Outer Continental Shelf (OCS facilities). In

addition, although it is not the Coast Guard's intention to require the use of standby vessels, this proposal would establish specific standards for standby vessels if they are identified as an integral part of the evacuation plan. This proposal is a continuance of Coast Guard initiatives to require contingency planning for evacuation of personnel under emergency conditions, such as hurricanes, blowouts, and major fires. This proposal is also in response to recent legislation concerning evacuation procedures. The ultimate effect of this proposal would be to provide facility and emergency assistance personnel with the direction and equipment necessary for a timely and safe evacuation of the OCS facility in an emergency.

DATES: Comments must be received on or before January 25, 1988.

ADDRESSES: Comments may be mailed to Commandant (G-CMC/21) (CGD 84-098b), U.S. Coast Guard, 2100 Second St. SW., Washington, DC 20593-0001. Comments will be available for inspection or copying at the Office of the Marine Safety Council (G-CMC), Room 2110, at the above address, between the hours of 8 a.m. and 3 p.m., Monday through Friday, except holidays. The telephone number is (202) 267-1477.

FOR FURTHER INFORMATION CONTACT: LCDR Anthony Dupree, Offshore Activities Branch, (202) 267-2307.

SUPPLEMENTARY INFORMATION: Interested persons are invited to participate in this proposed rulemaking by submitting written comments, data, or arguments. Each comment should include the name and address of the person submitting the comment, reference the docket number (84-098b) and the specific section of the proposal to which each comment applies, and give the reason for the comment. Persons desiring acknowledgment that their comments have been received should enclose a stamped, addressed postcard or envelope.

All comments received before the expiration of the comment period will be considered before final action is taken on this proposal. No public hearing is planned, but one may be held if written requests for a hearing are received and it is determined that the opportunity to make oral presentations will aid the rulemaking process.

Drafting Information

The principal persons involved in drafting this proposal are LCDR Alan J. Cross and LCDR Anthony Dupree, Jr., Project Managers, and Mr. Stephen H. Barber, Project Counsel, Office of Chief Counsel.

Background and Objectives

In March 1985, the Coast Guard published an advance notice of proposed rulemaking (ANPRM) regarding revision of the regulations on Outer Continental Shelf Activities (CGD 84-098) (50 FR 9290). That ANPRM identified the Coast Guard's intent to extensively revise existing regulations to address new developments in the offshore industry, new legislation, interagency agreements, and recommendations received following casualties on the Outer Continental Shelf (OCS). Safe evacuation of personnel from manned fixed platforms and mobile offshore drilling units (both known as "OCS facilities" in Coast Guard OCS regulatory terminology) under emergency conditions was discussed in that ANPRM. That discussion included a request for public comment regarding an overall emergency evacuation plan. Comments were also requested regarding the use and effectiveness of standby vessels as part of an overall evacuation plan and the criteria to be applied to standby vessels if used. This proposal is intended to address that portion of the parent project (CGD 84-098) addressing emergency evacuation plans and standby vessels and has been identified as a separate docket (CGD 84-098b) to facilitate its early development and implementation.

Investigations of certain casualties involving mobile offshore drilling units (MODUs) and experience gained from recent evacuations of other OCS facilities have identified a need for increased awareness on the part of the facility personnel with respect to the procedures to be followed in the event of a personnel evacuation and the circumstances under which such an evacuation is necessary. Additionally, experience has shown that where equipment has been identified as part of an evacuation scheme, specifically standby vessels, that equipment should be adequately equipped to perform its intended function. These needs have been addressed in detail in the Coast Guard's investigation of the events surrounding the casualties involving the MODU OCEAN RANGER and the National Transportation Safety Board's investigations into the events surrounding the sinkings of the MODUs OCEAN EXPRESS, OCEAN RANGER, and PENROD 61.

More recently, the U.S. Congress, in section 5201 of the Omnibus Budget Reconciliation Act of 1986 (Pub. L. 99-509; October 21, 1986), expressed its concern for the safety of offshore workers during emergency conditions by requiring the U.S. Coast Guard—

(a) To "issue final regulations, to become effective before September 1, 1987, relating to the evacuation of personnel as provided for in the advance notice of proposed rulemaking regarding the revision of the regulations on Outer Continental Shelf activities (50 FR 9290 (1985)), published March 7, 1985;" and

(b) In preparing the evacuation regulations, to "consider requiring standby vessels for the evacuation of personnel from manned installations on the Outer Continental Shelf".

A "standby vessel", in the context of this legislation, is a vessel maintained on the OCS in the vicinity of manned platforms and MODUs and designed and equipped in a manner to render effective evacuation assistance in the event of an emergency onboard an OCS facility.

In response to this legislation and the recommendations contained in the investigation reports on the various casualties, the Coast Guard is proposing the following amendments in this notice:

(a) To require the operator to prepare a comprehensive Emergency Evacuation Plan or Plans for the complete evacuation of all personnel on OCS facilities subject to the operator's control and to submit a copy of the Plan or Plans to the Coast Guard for examination. "Operator" is defined in 33 CFR 140.10 (by referencing the Minerals Management Service's definition in 30 CFR 250.2(gg)) as the lessee, designated agent of the lessee, or holder of rights under an approved operating agreement.

(b) To establish inspection, equipment, and manning requirements for all standby vessels specifically identified as part of an Emergency Evacuation Plan.

Other matters relating to evacuation, such as lifesaving appliances and onboard means of escape, will be addressed under the parent project, "Revision of the Regulations on Outer Continental Shelf Activities" (CGD 84-098).

Discussion of Comments to the ANPRM

The Coast Guard received 72 separate letters in response to the questions raised in the ANPRM on evacuation. One of the letters was reproduced 596 times by a maritime organization and the copies were signed and submitted by various individuals. Of these 72 letters, 42 (as well as the 596 form letters) supported the mandatory use of standby vessels covering all OCS facilities, 27 were opposed to making the use of

standby vessels mandatory, and three were uncommitted.

In general, the vast majority of the respondents, as well as Congress, recognize that standby vessels, properly equipped and manned, can be of significant benefit in the evacuation of personnel. The real area of concern is not whether standby vessels could be beneficial but whether they should be required to be located off each manned OCS facility or group of facilities. The National Transportation Safety Board (NTSB), in investigating the sinking of the MODUs OCEAN EXPRESS, OCEAN RANGER, and PENROD 61, recommended that the Coast Guard require standby vessels for MODUs (NTSB recommendations M-79-44, M-83-20, and M-86-104). Most of the comments received on the ANPRM suggested that the use of standby vessels be required not just for MODUs but for all manned platforms as well. They assert that standby vessels have proven to be a necessary supplement to rescue capsules, covered lifeboats, and other lifesaving equipment, particularly in the rough sea conditions common on the OCS. Thirty-nine comments stated that oil well blowouts are still too common on the OCS and that standby vessels are particularly effective in responding to these hazards.

On the other hand, 28 comments were opposed to requiring standby vessels. They stated that while standby vessels have been and continue to be used within the oil industry, the evacuation of personnel from offshore facilities occurs under many different conditions. The need for a vessel to augment the evacuation equipment otherwise provided is dependent upon a myriad of factors. These factors include, but are not limited to, onboard evacuation equipment, geographic location of the facility, anticipated environmental conditions, traffic density of support vessels and aircraft, distance from shore, and activity ongoing aboard the facility. Further, some comments stated that regulations requiring specific equipment, such as standby vessels, might degrade the overall safety of a facility by stifling the owner or operator of a facility from exploring the use of other equipment that might better serve a particular facility's needs. Other comments stated that the effectiveness of standby vessels has not been demonstrated. Further, some of the comments stated that the expense of providing a standby vessel at every manned facility engaged in OCS activities would not be justified by the commensurate gain in safety. One comment stated that the costs for standby vessels for Alaskan waters are expected to be much higher, approximately $3,000 per day, due to the need for larger, better equipped and manned vessels. Many of these comments urged the Coast Guard to consider evacuation plans that are performance oriented and allow flexibility in the type of equipment and methods used to effect evacuation.

A study of Coast Guard and Minerals Management Service casualty reports indicates that, between 1980 and 1986, there have been six deaths on MODUs located on the U.S. OCS and nine deaths on other OCS facilities attributable to conditions in which evacuation of the facility was prudent. Some of the deaths occurred onboard the facility and were due to the initial incident or to the fact that the persons decided to stay onboard the facility to control a well, for example, after the rest of the facility's personnel had been safely evacuated. This same study indicates that approximately one in 16,000 workers on MODUs and one in 22,000 workers on other OCS facilities died during situations in which evacuation of the facility was prudent. By comparison, a person in the U.S. has a risk of approximately one in 20,000 of being struck by an automobile. Although unconfirmed by the Coast Guard, the records maintained by the manufacturer of one type of covered lifeboat show that, from 1970 through 1986, his product alone has been responsible for saving 786 lives in the Gulf of Mexico in incidents where 13 people died (a 98.35% success ratio). The lifeboat manufacturer claims that all 13 deaths occurred during rescue/retrieval of survivors after a successful evacuation.

Although the Coast Guard does have a system to collect and analyze marine and offshore casualty data, that system is not designed to discriminate between the evacuation process and those events which may have led to the evacuation of those events following the evacuation, such as personnel retrieval. Further, the Coast Guard does not require that evacuations be reported, but only those incidents currently identified in 33 CFR 146.30. As a consequence, the Coast Guard's information is limited with respect to the number of facility evacuations that have occurred on the OCS, the number of personnel safely evacuated, the number of personnel injuries that occurred during the process of an evacuation, and the type of equipment used, or available but not used, during an evacuation. The Coast Guard, therefore, is specifically requesting information from the public regarding these issues.

In complying with the congressional directive contained in the Omnibus Budget Reconciliation Act mentioned earlier, the Coast Guard has considered requiring standby vessels for the evacuation of personnel from manned OCS facilities. The Coast Guard recognizes that there have been many incidents where vessels employed to stand by an OCS facility have rendered invaluable aid to personnel evacuating OCS facilities in an emergency. Further, the Coast Guard agrees that standby vessels could, in some cases, enhance the safety of some OCS facilities. However, the high cost of providing a properly equipped and manned standby vessel at every manned OCS facility, or even within six miles of every manned OCS facility, is not always justified by the benefits. The Coast Guard concurs with the comments stating that evacuations of personnel from offshore facilities occur under many different conditions. Therefore, the Coast Guard believes that evacuation measures using equipment other than standby vessels may prove to be equally effective and cost-efficient in many, if not most, emergency evacuation situations. This proposed approach would establish a performance standard and would provide sufficient flexibility so that the most effective means of evacuation could be employed.

The Coast Guard concurs with the respondents and Congress in that standby vessels should be properly equipped and manned. Therefore, the Coast Guard also proposes equipment and manning standards for vessels designated as standby vessels in the required evacuation plan. The proposed standards for standby vessels are based on the Coast Guard's experience with the U.S. offshore mineral and oil industry and the results of a review conducted by the Coast Guard of standards imposed by other countries with active OCS areas. The Coast Guard believes that the proposed standby vessel standards, albeit modified to accommodate the environmental conditions encountered on the U.S. OCS, are consistent with those standards applied by other countries to vessels in similar service.

Discussion of Proposed Regulations

The proposed regulations would establish a requirement for operators with manned OCS facilities to develop an Emergency Evacuation Plan (EEP) for each facility and submit a copy of the EEP to the Coast Guard for examination. Further, these proposed regulations would establish standards for each

standby vessel, if any are specified in the EEP.

Proposed section 140.10. This proposal would amend the definitions section to include a definition of "standby vessel".

Proposed Subpart E. A new subpart, "Standby Vessels", would be added to 33 CFR Part 143, Design and Equipment.

Proposed section 143.400. This proposed new section states that Subpart E would apply to all vessels specified as standby vessels in an EEP required under §§ 146.140 or 146.210.

Proposed section 143.401. This new section would set forth the requirements that a vessel would hve to comply with in order to be designated as a standby vessel in an EEP.

Proposed section 143.401(a). This new paragraph proposes minimum inspection standards. Forty seven comments to the ANPRM urged that standby vessels be inspected and certificated. Therefore, this new paragraph proposes regulations that would require standby vessels to be inspected and certificated by the Coast Guard under the provisions of Subchapter T (Small Passenger Vessels), Subchapte H (Passenger Vessels), or Subchapter I (Cargo and Miscellaneous Vessels) of 46 CFR Chapter I.

Proposed section 143.401(b). This new paragraph would require that standby vessels be certificated to carry all of the persons on the most populated OCS facility that the standby vessel is designated in the EEP to serve. This provision would allow one standby vessel to serve more than one OCS facility.

Proposed section 143.403. This is a new section that would require standby vessels to be highly maneuverable. Standby vessels can be expected to be called to maneuver close to facilities and survivors in heavy seas and strong currents. Therefore, the Coast Guard believes that a standby vessel must be highly maneuverable in order to provide for the safety of the standby vessel itself and the survivors being rescued from the water.

Proposed section 143.405. This new section specifies additional equipment required for standby vessels. Further, the installation of this equipment would be approved by the Coast Guard.

Proposed section 143.405(a). This new paragraph specifies the equipment that would be required in addition to the equipment required by the vessel's certificate of inspection.

Proposed section 143.405(a)(1). This new paragraph would require that standby vessels be equipped with a minimum of two screws or other propulsion devices. The requirement is proposed to further ensure the maneuverability of a standby vessel.

Proposed section 143.405(a)(2). During a night time rescue operation, it is imperative that sufficient illumination be provided. Therefore, that new paragraph would require that standby vessels be equipped with two searchlights. Most certificated vessels employed in the offshore oil industry are already equipped with two searchlights.

Proposed section 143.405(a) (3) and (4). A line throwing apparatus is considered to be a necessity in many rescue situations. These new paragraphs would require a line throwing appliance.

Proposed section 143.405(a)(5). Forty nine comments (as well as the 596 form letters) stated that standby vessels should be equipped with either a rescue platform, a rescue boat, or an inflatable liferaft for retrieving persons from the water. Of the three, only the rescue boat is specifically designed to assist in retrieving people from the water in other than the most favorable conditions. Therefore, this new paragraph would require a powered rescue boat and would specify some design and equipment criteria for the rescue boat. Currently, the Coast Guard is developing a Notice of Proposed Rulemaking (NPRM) entitled "Lifeboats and Rescue Boats", which will revise the standards for life boats and rescue boats. Most rescue boats currently available on the international market meet the standards of SOLAS 74 as amended by SOLAS 83. Rescue boats are approved by the Coast Guard as meeting the standards of SOLAS 74 as amended by SOLAS 83 will be acceptable.

Proposed § 143.405(a)(6) . Forty one comments suggested that standby vessels be equipped with a Stokes litter. This recommendation has been incorporated into this proposed paragraph.

Proposed § 143.405(a)(7) . Forty one comments (as well as the 596 form letters) recommended that standby vessels be equipped with blankets for the survivors to help treat or avoid hypothermia. Although hypothermia is usually associated with water temperatures below 60 ° F, it can occur at higher temperatures. Further, persons recovered from water need not remove wet clothing as soon as possible in order to prevent further body cooling. This proposed paragraph would require a standby vessel to carry a blanket for each person it is certificaed to carry.

Proposed § 143.405(a)(8) . Comments were received suggesting different requirements for getting injured persons from the water. The suggestions specify various devices, such as special retrieval nets and cranes equipped with baskets. Rather than specify particular devices, this proposed paragraph would require that standby vessels have some means of retrieving injured and helpless persons from the water.

Proposed § 143.405(a)(9) . This proposed paragraph would require a scramble net that can be rigged on either side of the standby vessel. Some comments recommended that a boarding net be rigged on both sides of the standby vessel. Others recommended that the standby vessel be capable of rescue and assistance. The Coast Guard agrees with the concept of scramble or boarding nets. However, the Coast Guard believes that having nets on both sides at one time is not necessary. A net on only one side of the standby vessel will allow the master of the standby vessel sufficient maneuvering room to protect the vessel and persons in the water.

Proposed § 143.405(a)(10) . One comment suggested that additional ring life buoys be provided. Other comments suggested that additional lifesaving equipment be provided. The Coast Guard agrees that, in some cases, additional ring life buoys are needed. This proposed paragraph would require a minimum of four approved ring life buoys equipped with 15 fathoms of line. Operators of vessels that meet this proposed criteria with their standard lifesaving equipment would not have to put additional ring life buoys on board.

Proposed § 143.405(a)(11) . One comment recommended personal protective gear for the standby vessel crew. Because the Coast Guard anticipates that the entire crew of a standby vessel will be on deck at some time to assist the survivors, the crew will be exposed to a greater risk of being washed or falling overboard. The members of the rescue boat crew will be exposed to an even greater risk. Immersion suits approved under 46 CFR160.071, while cumbersome, would provide the crew of the standby vessel, including the rescue crews, protection against hypothermia and drowning. Additionally, buoyant suits approved under 46 CFR 160.053 and meeting ANSI/UL–1123–1987, while providing only short term protection against hypothermia, are designed as a working garment and would allow greater freedom of movement than immersion suits. Therefore, the proposed paragraph would require that Coast Guard approved immersion suits or buoyant suits be provided for the crew of a standby vessel.

Proposed § 143.405(a)(12) . This paragraph would require two boat hooks to assist the crew of the standby vessel in retrieving survivors from the water.

Proposed § 143.405(a)(13). This paragraph would require a fire monitor with a minimum flow rate of 600 GPM that is capable of discharging an effective stream . The Coast Guard agrees with the 40 comments (as well as the 596 form letters) recommending that standby vessels be equipped with a fire monitor. While the comments recommended that a fire monitor be optional, the Coast Guard feels that it should be mandatory. Fire monitors can be used to protect persons on the facility while they are being evacuated and to divert floating debris and burning oil from survivors in the water.

Proposed § 143.405(a)(14). This paragraph would require that a standby vessel have a radio or radios capable of communicating with the facility being protected, shore bases, rescue boats, and rescue aircraft. The 596 form letters recommended that standby vessels be equipped to communicate with the facility. Other comments recommended that the standby vessel be able to communicate with the facility and the shore bases and have two means of communication or a radio. The Coast Guard agrees that the standby vessel should have at least one two-way radio capable of communicating with the facility and the shore base. Additionally, the Coast Guard believes that the standby vessel should have the capability to communicate by radio with its rescue boat and rescue aircraft.

Proposed § 143.405(a)(15). One comment addressed the need to illuminate the water in way of the boarding areas and rescue boat launching area. The Coast Guard concurs with the need to provide illumination in these areas. The night time recovery of survivors from the water requires that survivors see the boarding nets and other boarding aids. Similarly, the crew of the standby vessel needs to be able to see the survivors.

Proposed § 143.405(a)(16). This paragraph would require the standby vessel to have on board the latest edition of the Department of Health and Human Services publication entitled "The Ship's Medicine Chest and Medical Aid at Sea." This publication is a reference book for the initial treatment of survivors. It also makes recommendations as to the medical supplies and equipment to be maintained on board vessels. Sections dealing with hypothermia, burns, and transportation of victims by helicopter would be helpful to pesons providing first aid to the survivors.

Proposed § 143.405(a)(17). Forty six comments (as well as the 596 form letters) recommended that standby vessels have first aid kits on board. One of the comments recommended that the first aid kit be sized for 50 persons, and 40 comments recommended that the first aid kit be sized for either 10 or 20 persons. This proposed paragraph would require the standby vessel to have an industrial first aid kit on board sized for 50 percent of the persons that the standby vessel is certificated to carry.

Proposed § 143.405(b). This paragraph would require all the equipment required by proposed § 143.405 to be installed to the satisfaction of the Officer in Charge, Marine Inspection. This would entail inspections by a Coast Guard marine inspector to ensure compliance with the applicable subchapters of 46 CFR Chapter I.

Proposed § 143.407. Forty two comments suggested that standby vessels could be adequately manned by a three person crew. Three comments suggested that no additional crew is needed and one comment suggested that a minimum of six persons would be needed to adequately crew a standby vessel. This proposal would authorize the Officer in Charge, Marine Inspection, to require that the crew required under the standby vessel's certificate of inspection be augmented by additional persons as needed to provide lookouts, retrieve and crew the rescue boat, care for survivors, and deploy the retrieval equipment. Small passenger vessels (crew boats) probably would need extra persons, while large offshore supply vessels (OSVs) might not. All additional crewmembers would have to be authorized by the vessel's certificate of inspection.

Proposed § 146.140. This section concerns the EEP and applies to manned OCS facilities other than MODUs. These same requirements would be applicable to MODUs under proposed § 146.210.

Proposed § 146.140(a). This proposed paragraph would require each manned OCS facility to have on board an EEP that has been examined by the Coast Guard. The proposed EEP requirements would allow industry to adequately address the methods for evacuating personnel during an emergency situation yet allow sufficient flexibility for operators to utilize the methods they judge to be most effective for a particular facility.

Proposed § 146.140(b). This proposed paragraph would require operators to submit the EEPs to the Officer in Charge, Marine Inspection (OCMI) for examination before placing the facility in operation. The OCMI will examine the EEP to ensure that it addresses all of the items contained in proposed § 146.140(d). It includes a provision that would allow operators of facilities existing on the effective date of the final rule to take up to 180 days after that date to submit the EEP.

Proposed § 146.140(c). This proposed paragraph would require that the EEP be resubmitted for examination when substantive changes are made. Examples of substantive changes are the installation of a platform drilling unit onboard or a change from helicopters to a standby vessel as the primary means of evacuation. Changes considered nonsubstantive and not requiring resubmittal of the EEP would include a change in the name or telephone number of a contact person.

Proposed § 146.140(d). This proposed paragraph lists the items that the EEP must contain. The Coast Guard's experience with MODU operating manuals has shown that the manuals often are written in highly technical language which can be difficult for the operating personnel to understand. Proposed paragraph (d)(1) would require that the EEP be written in language that is easily understood by the facility's operating personnel. The required securement and abandonment plans should set forth the order in which personnel will be evacuated, identify the transportation resources to be used in the evacuation, and include time and distance factors for the initiation of the evacuation. These proposed requirements are aimed at reducing confusion during emergency situations by clarifying the responsibilities of personnel on the facility and at the support base. Additionally, they would provide facility personnel with a ready source of information on weather, recommended actions and timetables, and available transportation.

Proposed § 146.140(e). This proposed section would require the operator to ensure that all equipment specified in the EEP is made available and located as indicated in the EEP. Further, the operator shall ensure that the equipment is properly maintained and is actually capable of performing its function during an emergency evacuation. Also, this proposed paragraph would require the operator to ensure that personnel specified in the EEP are available and located as called for in the EEP and are trained in fulfilling their roles under the EEP.

Proposed § 146.140(f). This proposed section would require a complete copy of the EEP be made available to the facility's operating personnel and that every person newly reporting aboard a facility be given a brief written summary of the facility's EEP.

Proposed § 146.140(g). The investigation of the capsizing and sinking of the OCEAN RANGER and the

PENROD 61 indicated that, in an emergency situation, a break in the functional chain of command can create extensive confusion. In an effort to ensure that all parties with responsibilities and authorities under the EEP are informed as to what those responsibilities and authorities are, this proposed paragraph states that the EEP must detail the responsibilities and authorities of the various parties and that a copy must be provided to each party.

Proposed § 146.210. This new section would require operators employing a MODU in OCS activities to provide an EEP for the MODU. EEPs for MODUs would be the same as for other manned OCS facilities. Operators employing MODUs in OCS activities on the date these rules become effective would be allowed 180 days from that date for the submission of the EEP covering those MODUs.

Information required by these proposed regulations which is already contained in the MODU's operating manual required by 46 CFR 109.121 may be incorporated or referenced in order to prevent duplication of effort.

Incorporation by Reference

This proposal would add a new item to § 140.7, which lists materials incorporated by reference. The International Convention for the Safety of Life at Sea (SOLAS) in § 143.405(a)(5) and ANSI/UL-1123-1987 in § 143.405(a)(11) are proposed for incorporation by reference in those sections respectively. Copies of this material are available for inspection at U.S. Coast Guard Headquarters, Room 1216, 2100 Second Street, SW., Washington, DC 20593-0001. Copies of the material may be obtained at the address listed in proposed § 140.7(b).

Before the final rule is published, the Coast Guard will submit this material to the Director of the Federal Register for approval of the incorporation by reference.

E.O. 12291 and DOT Regulatory Policies and Procedures

The parent proposed regulations, entitled "Revision of Regulations for Outer Continental Shelf Activities" (CGD 84-098), are considered to be non-major under Executive Order 12291 but significant under DOT regulatory policies and procedures (44 FR 11034; February 26, 1979). This extracted portion, entitled "Emergency Evacuation Plan for Manned OCS Facilities" (CGD 84-098b), is considered to be non-major and non-significant under the same Executive Order and DOT policies. A draft regulatory evaluation has been prepared and placed in the rulemaking docket. It may be inspected or copied at the Office of the Marine Safety Council, Room 2110, U.S. Coast Guard Headquarters, 2100 Second St., SW., Washington, DC, (202) 267-1477, from 8 a.m. to 3 p.m. Copies may also be obtained by contacting that office.

The cost of preparing an EEP may vary due to the varying complexity of the manned facilities operating on the OCS and the experience of the preparer in drafting emergency evacuation plans. Much of the required information is already available and is customarily provided to operating personnel; however, some information not previously required must be compiled.

The cost of preparing an EEP which meets the proposed requirements is estimated to be between $500 and $800 per facility. The total initial cost to the industry for providing an EEP for each manned facility, including MODUs, is estimated to be between $486,500 and $778,400. The total cost to the Coast Guard for the examination of the EEP is estimated to be $100 per plan. Comments are solicited on the costs of preparing EEPs for facilities and the cost of updating an EEP each time MODUs change their location.

The cost of equipping a certificated offshore supply vessel or crew boat to comply with the proposed standby vessel requirements is estimated to be between $47,000 and $64,000. The Coast Guard has no basis for estimating how many standby vessels, if any, might be employed. For the purpose of evaluating this proposal, we have assumed that up to 30 standby vessels may be employed. Based on these assumptions, the total initial cost to the support vessel industry to outfit certified vessels as standby vessels is estimated to be between $1.41M and $2.01M. Further, the total cost to the owners, operators and leaseholders employing these 30 standby vessels is estimated to be between $9.78M and $10.47M per year. Comments are solicited on the costs of equipping a certificated vessel as a standby vessel and on the anticipated use of standby vessels.

Recent regulations (52 FR 6974; March 6, 1987) resulting from MODU sinkings in which 165 lives were lost require that MODU operating manuals provide information for use in emergency situations. EEPs may incorporate certain portions of the operating manual (46 CFR 109.121) to avoid unnecessary duplication and cut preparation costs.

The primary objective of this proposal is to address evacuation planning for fixed facilities as well as MODUs, thereby enhancing the safety of life and property on the OCS. It is, however, difficult, if not impossible, to quantify the benefits of the proposed regulations because of the unpredictable occurrence and limitless variety of emergency situations in which EEPs would be of assistance. Though the EEPs would not replace well trained personnel, they can be of significant benefit. Using the minimally accepted value of a human life of $1,000,000, the saving of a few lives each year would make the preparation of the evacuation plans cost beneficial.

Regulatory Flexibility Act

Under the Regulatory Flexibility Act (5 U.S.C. 601 through 612), the Coast Guard must consider whether the rule it is proposing is likely to have significant economic impact on a substantial number of small entities. "Small entities" include independently owned and operated small businesses which are not dominant in their field and which would otherwise qualify as "small business concerns" under section 3 of the Small Business Act (15 U.S.C. 632). These regulations would affect owners and operators of manned OCS facilities and the owners, builders, and suppliers of standby vessels. Because of the extremely high costs of these manned facilities, their owners and operators tend to be major corporations. However, it is likely that at least some of the companies opting to enter the standby vessel business may be considered small entities. An estimate for outfitting a typical certificated vessel as a standby vessel is between $47,000 and $64,000, or less than 6% of the cost of the vessel. Because the usage of standby vessels is voluntary, we have no basis for estimating how many standby vessels, if any, might be employed. For the purposes of evaluating the proposed rule, we have assumed that a total of 30 standby vessels would be employed, which represent less than 5% of the U.S. fleet of offshore supply vessels. Based on these assumptions, the total initial cost to the support vessel industry to outfit certificated vessels as standby vessels would be between $1.41M and $2.01M. Further, we estimate that the day rate for a standby vessel outfitted according to the proposed rules would have to increase by approximately $307 a day over the day rate of the same vessel without standby vessel equipment in order to cover the added expenses.

For the above reasons, the Coast Guard certifies that this proposal will not have a significant economic impact on a substantial number of small entities. If, however, you feel that your business may qualify as a small entity

and that the proposed rules would have a significant economic impact on the business, please notify the Coast Guard (see **ADDRESSES**) and explain why you feel your business qualifies and in what way and to what degree the proposed regulations would economically affect your business. Cost data submitted in response to the above will be evaluated thoroughly before final rules are issued.

Paperwork Reduction Act

This proposed rulemaking contains information collection requirements in §§ 146.140 and 146.210. They have been submitted to the Office of Management and Budget (OMB) for approval under the provisions of the Paperwork Reduction Act of 1980 (44 U.S.C. 3501 *et seq.*). Persons desiring to comment on these information collection requirements should submit their comments to: Office of Regulatory Policy, Office of Management and Budget, 726 Jackson Place, NW., Washington, DC 20503, ATTN: Desk Officer, U.S. Coast Guard. Persons submitting comments to OMB are also requested to submit a copy of their comments to the Coast Guard as indicated under "**ADDRESSES**".

Environmental Assessment

The Coast Guard has considered the environmental impact of the regulations and concluded that preparation of an environmental impact statement is not necessary. The proposed amendments concern the development of emergency evacuation plans and the equipping of standby vessels for emergency assistance and would have no effect on the environment.

They do not affect the prevention, control, or protective systems installed on the facility to prevent damage to the environment. Therefore, an environmental assessment with a finding of no significant impact has been prepared and is on file in the rulemaking docket.

List of Subjects

33 CFR Part 140

Administrative practice and procedure, Authority delegation, Continental shelf, Incorporation by reference, Law enforcement, Marine safety, Reporting and recordkeeping requirements.

33 CFR Part 143

Continental shelf, Marine safety.

33 CFR Part 146

Continental shelf, Marine safety, Reporting requirements.

For the reasons set out in the preamble, Parts 140, 143, and 146 of Title 33 of the Code of Federal Regulations are proposed to be amended as follows:

PART 140—GENERAL

1. The authority citation for Part 140 is revised to read as follows:

Authority: 43 U.S.C. 1333(d)(1), 1348(c); 1356; 49 CFR 1.46.

2. Section 140.7 is revised to read as follows:

§ 140.7 Incorporated by reference.

(a) In this subchapter, portions of the entire text of certain standards and specifications are incorporated by reference as the governing requirements for materials, equipment, tests, or procedures to be followed. These standards and specification requirements specifically referred to in this subchapter are the governing requirements for the subject matters covered, unless specifically limited, modified, or replaced by the regulations.

(b) These materials are incorporated by reference into this subchapter under 5 U.S.C. 552(a) with the approval of the Director of the Federal Register. The Office of the Federal Register publishes a table, "Material Approved for Incorporation by Reference," which appears in the Finding Aids section of this volume. In that table is found citations to the particular sections of this part where the material is incorporated. To enforce any edition other than the one listed in paragraph (c) of this section, notice of the change must be published in the **Federal Register** and the material made available. All approved material is on file at the Office of the Federal Register Information Center, Room 8301, 1100 L Street NW., Washington, DC 20408 and at U.S. Coast Guard Headquarters, 2100 Second Street SW., Washington, DC 20593-0001. Copies may be obtained from the sources indicated in paragraph (c) of this section.

(c) The materials approved for incorporation by reference in this subchapter are:

American National Standards Institute (ANSI), 1430 Broadway, New York, NY 10018,

ANSI A10.14-1975-Requirements for Safety Belts, Harnesses, Lanyards, Lifelines, and Drop Lines for Construction and Industrial Use.

ANSI/UL-1123-1987-Standards for Marine Buoyant Devices.

ANSI Z41-1983-American National Standard for Personal Protection-Protective Footwear.

ANSI Z87.1-1979-Practice for Occupational and Educational Eye and Face Protection.

ANSI Z88.2-1980-Practices for Respiratory Protection.

ANSI Z89.1-1981-Safety Requirements for Industrial Head Protection.

International Maritime Organization (IMO)

IMO Sales, New York Nautical Instrument and Service Corp., 140 W. Broadway, New York, NY 10013.

International Convention for the Safety of Life at Sea—Consolidated Text of the 1974 SOLAS Convention, the 1978 SOLAS Protocol, the 1981 and 1983 SOLAS Amendments, 1986.

IMO Assembly Resolution A.414 (XI)-Code for Construction and Equipment of Mobile Offshore Drilling Units.

3. In § 140.10, a new term is added in alphabetical order to read as follows:

§ 140.10 Definitions.

* * * * *

"Standby vessel" means a vessel meeting the requirements of Part 143 of this chapter and intended for positioning near a manned OCS facility to provide rapid evacuation assistance in the event of an emergency.

* * * * *

PART 143—DESIGN AND EQUIPMENT

4. The authority citation for Part 143 is revised to read as follows:

Authority: 43 U.S.C. 1333(d)(1), 1348(c), 1356; 49 CFR 1.46.

5. A new Subpart E is added to read as follows:

* * * * *

Subpart E—Standby Vessels

Sec.

Subpart E—Standby Vessels

§ 143.400 Applicability.

This subpart applies only to standby vessels specified in an Emergency Evacuation Plan (EEP) required by §§ 146.140 or 146.210 of this chapter.

§ 143.401 Vessel inspection and certification.

Standby vessels must—

(a) Have a valid certificate of inspection under Subchapters H, I, or T of 46 CFR Chapter I; and

(b) Be certificated to carry all of the persons on the most populated OCS

facility that the standby vessel is designated in the EEP to serve.

§ 143.403 Maneuverability.

Standby vessels must be highly maneuverable in order to facilitate the removal of persons from the water.

§ 143.405 Equipment.

(a) Standby vessels must have the following equipment:

(1) Multiple propellers or propulsion devices.

(2) Two searchlights.

(3) For vessels certificated under Subchapter H of 46 CFR Chapter I, a line throwing appliance that meets the requirements in 46 CFR 75.45.

(4) For vessels certificated under Subchapters I or T of 46 CFR Chapter I, a line throwing appliance that meets the requirements of 46 CFR 94.45.

(5) A self-propelled rescue boat of rigid or inflatable construction or combination of both, capable of carrying at least nine persons including a two person crew. The rescue boat and its launching device must be approved by the Coast Guard and the rescue boat must meet the requirements of regulation 47 of the Annex to the International Convention for Safety of Life at Sea (1974 SOLAS), as amended. The rescue boat must be equipped with a two-way radio capable of voice communication with the standby vessel and the OCS facility.

(6) A Stokes or comparable litter.

(7) One blanket for each person that the standby vessel is certificated to carry.

(8) A means of retrieving injured or helpless persons from the water.

(9) A scramble net that can be rigged on either side of the standby vessel.

(10) A minimum of four Coast Guard approved ring life buoys, each equipped with 15 fathoms of line.

(11) An immersion suit that is approved by the Coast Guard under 46 CFR 160.171 or a buoyant suit meeting Supplement A of ANSI/UL-1123-1987 and approved under 46 CFR 160.053 for each member of the standby vessel's crew.

(12) Two boat hooks.

(13) A fire monitor with a minimum flow rate of 600 gallons per minute.

(14) One or more two-way radios capable of voice communications with the OCS facility, rescue boat, and shore side support personnel.

(15) Floodlights to illuminate the rescue boat launching area, the scramble net when deployed, and the water around the rescue boat launching and scramble net deployment areas.

(16) A copy of "The Ship's Medicine Chest and Medical Aid at Sea", DHHS Publication No. (PHS) 84-2024, available from the Superintendent of Documents, U.S. Government Printing Office, Washington, DC 20402.

(17) An industrial first aid kit sized for 50 percent of the number of persons the standby vessel is certificated to carry.

(b) Equipment required by paragraph (a) of this section shall be to the satisfaction of the Officer in Charge, Marine Inspection.

§ 143.407 Manning.

Standby vessels must be crewed in accordance with their certificate of inspection for 24 hour operation. The Officer in Charge, Marine Inspection, may require the crew to be augmented, as necessary, to provide for maneuvering the standby vessel, for lookouts, for rigging retrieval equipment, for launching, retrieving, and manning the rescue boat, and for retrieving and caring for survivors.

PART 146—OPERATIONS

6. The authority citation for Part 146 is revised to read as follows:

Authority: 43 U.S.C. 1333(d)(1), 1348(c), 1356; 49 CFR 1.46.

7. New § 146.140 is added to read as follows:

§ 146.140 Emergency Evacuation Plan.

(a) Each manned OCS facility must have on board an Emergency Evacuation Plan (EEP) that is applicable to the facility and that addresses all items listed in paragraph (d) of this section.

(b) The operator shall submit an EEP for each manned OCS facility to the cognizant Officer in Charge, Marine Inspection (OCMI), for examination. For facilities existing on [*Insert effective date of the final rule*], the EEP must be submitted before [*Insert date 180 days after effective date of the final rule*]. For facilities not existing on [*Insert effective date of the final rule*], the EEP must be submitted before placing the facility in operation. The OCMI will examine the EEP to determine whether all items listed in paragraph (d) of this section are addressed.

(c) The EEP must be resubmitted for examination when substantive changes are made. Only the pages affected by a change need be submitted if the EEP is bound in such a way as to allow old pages to be removed easily and new ones inserted. Substantive changes include all items affecting the means or methods of evacuation, or the time required to accomplish evacuation, including response time.

(d) EEP must, at a minimum,

(1) Be written in language that is easily understood by the facility's operating personnel;

(2) Have a table of contents and general index;

(3) Have a record of changes;

(4) List the names, telephone numbers, and function of each person to be contacted under the EEP and state the circumstances in which they should be contacted;

(5) List the facility's communications equipment, their available frequencies, and the communications schedules with shore installations, standby vessels, and other OCS facilities specified in the EEP;

(6) Identify the primary source of weather forecasting relied upon in implementing the EEP and state the frequency of reports when normal weather is forecasted, the frequency of reports when heavy weather is forecasted, and the method of transmitting the reports to the facility;

(7) Designate the person who is assigned primary responsibility for implementing the EEP;

(8) Designate those facility and shoreside support personnel who have the authority to advise the person in charge of the facility as to the best course of action to be taken and initiate actions to assist facility personnel;

(9) Describe the recognized circumstances, such as a fire or blowout, and environmental conditions, such as an approaching hurricane or ice floes, in which the facility or its personnel would be placed in jeopardy and a mass evacuation of the facility's personnel would be recommended;

(10) For each of the circumstances and conditions described under paragraph (d)(9) of this section, identify the means and procedures for the ultimate evacuation of all persons on the facility to land, another facility, or other safe place;

(11) For each of the circumstances and conditions described under paragraph (d)(9) of this section, list the pre-evacuation steps for securing operations, whether drilling or production, including time estimates for completion and personnel required; and

(12) For each of the circumstances and conditions described under paragraph (d)(9) of this section, describe the order in which personnel would be evacuated, the transportation resources to be used in the evacuation, the operational limitations for each mode of transportation specified, and the time and distance factors for initiating the evacuation.

(e) The operator shall ensure that—

(1) All equipment specified in the EEP, whether the equipment is located on or

off the facility, is made available and located as indicated in the EEP and is designed and maintained so as to be capable of performing its function during an emergency evacuation.

(2) All personnel specified in the EEP are available and located as specified in the EEP and are trained in fulfilling their role under the EEP.

(f) A complete copy of the EEP must be made available to the facility's operating personnel and a brief written summary of the EEP must be given to each person newly reporting on board the facility.

(g) A copy of the EEP must be on board each standby vessel, if any are specified in the EEP, and provided to all shoreside support personnel, if any are specified in the EEP.

8. A new § 146.210 is added to read as follows:

§ 146.210 Emergency Evacuation Plan.

(a) The requirements for an Emergency Evacuation Plan (EEP) in § 146.140 apply to mobile offshore drilling units.

(b) To avoid unnecessary duplication, the EEP may incorporate by reference pertinent sections of the MODU's operating manual required by 46 CFR 109.121.

Dated: December 16, 1987.

J.W. Kime,

Rear Admiral, U.S. Coast Guard, Chief, Office of Marine Safety Security and Environmental Protection.

[FR Doc. 87-29550 Filed 12-23-87; 8:45 am]

BILLING CODE 4910-14-M

FEDERAL COMMUNICATIONS COMMISSION

47 CFR Part 1

[Gen. Docket No. 87-570; FCC 87-367]

Implementation of Debt Collection Act of 1982 and Related Statutory Provisions

AGENCY: Federal Communications Commission.

ACTION: Proposed rule.

SUMMARY: The Commission commenced a rule making proposing to adopt specific procedures for the collection of delinquent debts. These procedures would be used for expediting the collection of delinquent forfeitures, salary overpayments, or travel payments that exceed authorized payments.

DATES: Interested parties may file comments on or before February 4, 1988, and reply comments on or before February 19, 1988.

ADDRESS: Federal Communications Commission, Washington, DC 20554.

FOR FURTHER INFORMATION CONTACT: Steve Bailey, Office of General Counsel, (202) 254-6530.

SUPPLEMENTARY INFORMATION: The full text of the discussion portion of this action is included here. However, in the interest of minimizing printing costs, the proposed rule amendments are not printed herein. The full text of the proposed amendments is available for inspection and copying during normal business hours in the FCC Dockets Branch (Room 230), 1919 M Street NW., Washington, DC. The complete text of this decision may also be purchased from the Commission's Copy Contractor, International Transcription Service, (202) 857-3800, 2100 M Street NW., Suite 140, Washington, DC 20037.

Adopted: November 23, 1987.

Released: December 14, 1987.

By the Commission.

Introduction

1. In 1982, Congress enacted the Debt Collection Act, Pub. L. 97-365, 96 Stat. 1749, codified at 31 U.S.C. 3701, 3711, 3716, 3718, and 5 U.S.C. 5514 which authorizes new procedures designed to improve the ability of federal agencies to collect debts owed the United States. The Act also contains certain notification requirements and other protections for debtors. In 1984, Congress enacted the Deficit Reduction Act, Pub. L. 98-369, 98 Stat. 1153, which provides for the collection of money owed to the Federal Government through offsets to tax refunds. This notice proposes rules and regulations to implement the provisions of both statutes.

2. Generally, the Debt Collection Act authorizes new procedures for the collection of debts, including provisions that enable the use of administrative and salary offsets as a means of collecting money owed the Government.[1] In addition, the Act allows the Government to disclose to consumer reporting agencies information regarding delinquent debtors. Finally, the Act allows heads of agencies to make contracts with private collection services to recover indebtedness owed the United States.

3. The Act requires that agency regulations implementing the provisions of the law be consistent with uniform standards issued by the Department of Justice and the General Accounting Office. 31 U.S.C. 3711(e).[2] In addition, regulations pertaining to salary offset must conform to offset regulations issued by the Office of Personnel Management.[3] The regulations proposed herein, we believe, conform to the standards and procedures promulgated by these departments and offices.[4]

4. Section 2653 of the Deficit Reduction Act, codified at 31 U.S.C. 3720A, authorizes the Secretary of the Treasury to offset against income tax refunds any delinquent debt obligations to the Federal Government. Like the Debt Collection Act, the statute contains notice requirements and other protections for debtors.

5. In the paragraphs below, we discuss in more detail the provisions of the Debt Collection Act and the Deficit Reduction Act. The proposed rules implementing these statutes are set forth in the appendix hereto. Interested persons are invited to comment on the proposed rules; however, for the most part, the rules parallel the implementing regulations issued by DOJ, GAO, and OPM. Therefore, commenters should be aware that the Commission has limited discretion to make substantive changes in the rules.

Disclosure to Consumer Reporting Agencies

6. Section 3 of the Debt Collection Act, 31 U.S.C. 3711(f), authorizes agencies to report delinquent individual debtors to consumer reporting agencies. This provision applies only to individuals and, hence, includes only natural persons. As indicated above, the Act requires that certain procedural protections be provided to individuals before the release of any information concerning overdue payments. In addition, the Act requires that agencies report any significant change in circumstance (e.g., payment of the debt) to the consumer reporting agency.

7. Section 1.1918 of the proposed rules is intended to implement the Act's provisions relating to disclosure of debt information to consumer reporting

[1] The term "administrative offset" is defined as "withholding money payable by the United States to, or held by the Government for a person to satisfy a debt the person owes the Government." 31 U.S.C. 3701. Salary offset, a form of administrative offset, enables the Federal Government to recover debts payable from federal employees through deductions against salary or other benefits that accrue from Federal employment. 5 U.S.C. 5514 (1982).

[2] *See* 4 CFR Part 102—Standards for the Administrative Collection Claims.

[3] 5 CFR Part 550, Subpart K—Collection by Offset from Indebted Government Employees.

[4] Toward that aim, we will forward a copy of this Notice and the proposed rules to the General Accounting Office and Office of Personnel Management for their review and comment.

agencies. Under this section, the Commission would release information only after a determination had been made that the debt is valid and overdue and a written notice has been sent to the individual debtor. The written notice would state that the individual's payment of a debt is overdue and that the Commission will disclose this information to a consumer reporting agency in not less than 60 days. In addition, the notice would provide that the debtor has a right to a full explanation of the debt and is entitled to review applicable FCC records pertaining to the debt. The debtor may avoid the reporting of the claim to a consumer reporting agency by entering into an agreement to repay the debt under terms agreeable to the Commission.

Contracts for Collection Services

8. Section 13 of the Debt Collection Act, 31 U.S.C. 3718, authorizes heads of agencies to enter into contracts with private collection services to recover debts owed the United States. The Act requires that any contract entered into contain certain provisions. Section 1.1919 of the proposed rules sets out the statutory conditions that must be included in contracts for collection services. These include:

1. A provision that the FCC retains authority to resolve the debt dispute, including authority to terminate collection action and authority to refer the matter to the Attorney General for civil remedies; and

2. A provision specifying that the collection service is subject to the Privacy Act of 1974 as it applies to private contractors and subject to State and Federal laws governing debt collection practices, such as the Debt Collection Practices Act.

Section 1.1919 also sets forth other requirements applicable to collection contractors, as well as provisions relating to Commission funding of collection service contracts, the depositing of amounts recovered under collection service contracts, and other procedures governing the Commission's use of collection agencies.

Administrative Offset

9. Section 10 of the Debt Collection Act, 31 U.S.C. 3716, authorizes procedures for administrative offset, pursuant to which amounts owed to the Government may be deducted from amounts due to the debtor. As with the statutory provision for reporting to a consumer reporting agency, the Act requires that notice procedures be observed by the agency before any offset takes place. For example, it requires that debtors be provided notice of their debts and opportunities to review the record and enter into written agreements for repayment before the Government attempts to collect money by offset. The Act also provides that these offset provisions do not apply to an agency of the United States government, a state government or a local government.

10. Sections 1.1911–1917 of the proposed rules contain provisions for administrative offset. Generally, these provisions cover the manner of coordinating collection with other federal agencies (e.g., when the debt is owed to the Commission but is collected by another federal agency through offset), the type of notice that will be provided to a debtor before the offset begins, the debtor's right to inspect Commission's records relating to the particular debt, the debtor's opportunity to enter into a repayment agreement with the Commission, and the debtor's right to obtain review within the agency of the determination of indebtedness. The provisions also set forth the circumstances in which the debtor is entitled to a reasonable opportunity for an oral hearing when it requests Commission review.

11. Section 1.1913 of the proposed rules contains procedures for offset against amounts payable from the Civil Service Retirement and Disability Fund. The Commission intends to apply these offset procedures to amounts payable from this fund from either the Civil Service Retirement System or the newly-established Federal Employee Retirement System (FERS), which Congress created when it enacted the Federal Employee Retirement System Act of 1986, Pub. L. 99–335. If any changes are made to the offset procedures applicable to these retirement systems by DOJ/GAO in the Federal Claims Collection Standards or by OPM in its offset regulations, they will be incorporated into our rules.

Salary Offset

12. Section 5 of the Debt Collection Act, 5 U.S.C. 5514, establishes new procedures that permit agencies to collect debts by offsets against the salaries of federal employees. The salary offset provisions provide opportunities for affected employees to review determinations of indebtedness before offsets are implemented. In addition, each agency's regulations must be consistent with the Office of Personnel Management's regulations.

13. The regulations proposed by the Commission are contained in §§ 1.1925 through 1.1935. The procedures for salary offset are similar to those for administrative offset. Under the salary offset procedures, however, an employee against whom an offset is sought has a right to a hearing before an Administrative Law Judge or person outside the control or authority of the Commission, to review the Commission's determination of the debt, the amount of the debt, and the repayment schedule, if applicable. An employee must give notice of his or her intent to take advantage of the hearing procedures within a specified time period.

Interest, Penalties, Administrative Costs and Other Sanctions

14. Sections 1.1940 through 1.1942 contain provisions relating to the imposition of interest, penalties, and administrative costs in connection with debts owed the United States. These provisions are intended to implement the Federal Claims Collections Standards (4 CFR 102.13) promulgated by the General Accounting Office and the Department of Justice.

Deficit Reduction Act

15. As stated earlier, section 2653 of the Deficit Reduction Act, 31 U.S.C. 3470A, authorizes federal agencies to refer delinquent debts to the Department of the Treasury for collection by offsets against tax refunds owed to named persons. The statute provides that a federal agency must furnish a debtor with notice of a proposed IRS offset and afford the debtor at least 60 days within which to present evidence regarding the debt. Section 1.1951 of the proposed rules provides that actions intended to effectuate administrative offsets against tax refunds shall be undertaken in accordance with the statute and Treasury Department regulations. In addition, the proposed rules include provisions governing the reporting of discharged debts to the Internal Revenue Service, in compliance with the Treasury Fiscal Requirements Manual. The rules also incorporate the IRS directive that federal agencies report the outstanding balance, not including interest, of certain defaulted federal obligations.

Applicability of Debt Collection Measures to Forfeitures

16. We note that the applicability of the debt collection measures discussed above to debts owed the United States is considerably broad because it encompasses any "claim" of the United States as that term is defined in section 13(b) of the Debt Collection Act, Pub. L.

365, 96 Stat. 1758.[5] Accordingly, we intend to utilize these measures for the collection of forfeitures imposed under the Communications Act. Although section 503 of the Communications Act directs the Commission to refer forfeiture matters to the Attorney General where a person has failed to pay an assessment of a forfeiture after a final and unappealable order has been issued, we are of the view that this provision should not be read to preclude the use of debt collection measures. Similarly, although section 504 provides for a trial de novo in any suit for recovery of a forfeiture imposed under the provisions of the Communications Act, we do not read it as foreclosing us from utilizing administrative offset procedures or the other debt collection measures we propose to adopt. In short, we believe that applicability of debt collection provisions to forfeitures should be interpreted to be consistent with, rather than mutually exclusive, to the forfeiture provisions contained in the Communications Act and, accordingly, we invite comment on this position.

Administrative Matters

17. Authority for the proposed rules is contained in sections 4(i), 4(j), and 303(r) of the Communications Act of 1934, as amended (47 U.S.C. 154(i), 154(j) and 303(r)), the Federal Claims Collection Act (31 U.S.C. 3701 *et seq.*), as amended by the Debt Collection Act of 1982, and section 2563 of the Deficit Reduction Act of 1984 (31 U.S.C. 3470A). Pursuant to §§ 1.415 and 1.419 of the Commission's Rules, interested parties may file comments on or before February 4, 1988, and reply comments on or before February 19, 1988. All relevant and timely comments will be considered by the Commission before final action is taken in this proceeding. In reaching its decision, the Commission may take into consideration information and ideas not contained in the comments, provided that such information or a writing indicating the nature and source of such information is placed in the public file, and provided that the Commission's reliance on such information is noted in the Report and Order.

18. In this non-restricted rule making proceeding, ex parte contacts are permitted from the time the Commission adopts this Notice of Proposed Rule Making until the time a public notice is issued stating that a substantive disposition of the matter is to be considered at a forthcoming meeting, or until a final order disposing of the matter is adopted by the Commission, whichever is earlier. A written ex parte presentation is any written presentation (except written comments or reply comments in the proceeding) made to decision-making personnel by another person that is not served on the participants to the proceeding. An oral ex parte presentation is an oral presentation made to decision-making personnel without advance notice to the other participants or a reasonably opportunity for them to be present when the presentation is made. Any person who submits a written ex parte presentation must serve a copy of that presentation on the Commission's Secretary for inclusion in the public file. Any person who makes an oral ex parte presentation addressing matters not fully covered in any previously-filed written comments for the proceeding must prepare a written summary of that presentation; on the day of oral presentation, the summary must be submitted to the Commission's Secretary for inclusion in the public file, with a copy to the Commission official receiving the oral presentation. Each ex parte presentation described above must state on its face that the Secretary has been served, and must also state by docket number the proceeding to which it relates. See generally § 1.1206 of the Commission's Rules (47 CFR 1.1206).

19. In accordance with the provisions of the Regulatory Flexibility Act (5 U.S.C. 601 et seq.), the FCC finds that the proposed rules will have no "significant economic impact upon a substantial number of small entities" within the meaning of section 3(a) of the Regulatory Flexibility Act, Pub. L. 96-354, 94 Stat. 1164, 5 U.S.C. 605(b). The FCC shall so certify to the Chief Counsel for Advocacy of the Small Business Administration. This conclusion has been reached because the proposed rules do not, in themselves, impose any additional requirements upon small entities. Accordingly, no regulatory flexibility analysis is required.

20. In accordance with the Paperwork Reduction Act of 1980 (Pub. L. 96-511), any reporting and recordkeeping provisions that are included in the rules will be submitted for approval to the Office of Management and Budget (OMB).

21. To file formally in this proceeding, participants must file an original and five copies of all comments, reply comments, and supporting documents. If participants want each Commissioner to receive a personal copy of their comments, an original plus eleven copies must be filed. Persons who wish to participate informally may submit one copy of their comments, stating thereon the docket number of this proceeding. Comments and reply comments should be sent to the Office of Secretary, Federal Communications Commission, 1919 M Street, NW., Washington, DC 20554. Comments and reply comments will be available for public inspection during regular business hours in the Dockets Public Reference Room (Room 239) at that address. For additional information on this proceeding, please contact Steve Bailey, Office of General Counsel, (202) 254-6530.

Federal Communications Commission.

William J. Tricarico,

Secretary.

List of Subjects in 14 CFR Part 1

Collection of claims owed the United States.

[FR Doc. 87-29280 Filed 12-23-87; 8:45 am]

BILLING CODE 6712-01-M

[5] That section provides that the term "claim" includes "amounts owing on account of loans insured or guaranteed by the United States and all other amounts due the United States from fees, duties, leases, rents, royalties, services, sales of real or personal property, overpayments, fines, penalties, damages, interest, taxes, forfeitures, and other sources."

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47 CFR Part 65

[CC Docket No. 87-463]

Refinement of Precedures and Methodologies for Represcribing Interstate Rates of Return for AT&T Communications and Local Exchange Carriers; Extension of Reply Comment Period

AGENCY: Federal Communications Commission.

ACTION: Proposed rule; extension of reply comment period.

SUMMARY: The Commission has granted the Pacific Bell and Nevada Bell's request for a one week extension of time for reply comments in CC Docket No. 87-463, concerning the refinement of procedures and methodologies for represcribing interstate rates of return. The extension was granted upon a good cause showing that the comments filed November 23, 1987, were voluminous, the extension sought was limited, and the public interest request adequate opportunity to prepared reply comments. The filing dates were established in the Notice of Proposed Rulemaking, published at 52 FR 39251 (October 21, 1987).

ADDRESS: Federal Communications Commission, Washington, DC 20554.

DATE: Reply comments shall be filed by Friday, December 18, 1987.

FOR FURTHER INFORMATION CONTACT: Giovanna M. Longo, Industry Analysis

Division, Common Carrier Bureau, (202) 632-0745.

Memorandum Opinion and Order

Adopted: December 7, 1987.
Released: December 9, 1987.

By the Chief, Common Carrier Bureau:

1. Pacific Bell and Nevada Bell (the Pacific Companies) filed a motion for extension of time on December 4, 1987. Pacific requests that the December 11, 1987, filing date for reply comments in this proceeding be extended one week until December 18, 1987, pursuant to FCC Rules and Regulations, § 1.46. In support, Pacific notes the voluminous comments filed on November 23, 1987, and technical nature of the economic analyses therein.

2. In view of the public interest in adequate opportunity for comment upon refinement of procedures and methodologies for represcribing interstate rates of return, the limited extension of time sought, and Pacific's showing of good cause, the filing date for reply comments shall be extended to December 18, 1987.

3. Wherefore, for all the reasons above stated, Pacific's motion is granted.

Gerald Brock,

Chief, Common Carrier Bureau.

[FR Doc. 87-29472 Filed 12-23-87; 8:45 am]

BILLING CODE 6712-01-M

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47 CFR Part 73

[MM Docket No. 87-564, RM-5846]

Radio Broadcasting Services; Augusta, AR

AGENCY: Federal Communications Commission.

ACTION: Proposed rule.

SUMMARY: This document requests comments on a petition by Dixie Broadcasting, Inc., licensee of Station KABK-FM (Channel 249A), Augusta, Arkansas, proposing the substitution of FM Channel 249C2 for Channel 249A and modification of its Class A license accordingly, to provide that community with its first wide coverage area FM service.

DATES: Comments must be filed on or before February 8, 1988, and reply comments on or before February 23, 1988.

ADDRESS: Federal Communications Commission, Washington, DC 20554.

In addition to filing comments with the FCC, interested parties should serve the petitioner's counsel, as follows: Eugene T. Smith, Esq., Law Offices of Eugene T. Smith, 715 G Street SE., Washington, DC 20003.

FOR FURTHER INFORMATION CONTACT: Nancy Joyner, Mass Media Bureau (202) 634-6530.

SUPPLEMENTARY INFORMATION: This is a summary of the Commission's Notice of Proposed Rule Making, MM Docket No. 87-564 adopted December 2, 1987, and released December 17, 1987. The full text of this Commission decision is available for inspection and copying during normal business hours in the FCC Dockets Branch (Room 320), 1919 M Street NW., Washington, DC. The complete text of this decision may also be purchased from the Commission's copy contractors, International Transcription Service, (202) 857-3800, 2100 M Street NW., Suite 140, Washington, DC 20037.

Provisions of the Regulatory Flexibility Act of 1980 do not apply to this proceeding.

Members of the public should note that from the time a Notice of Proposed Rule Making is issued until the matter is no longer subject to Commission consideration or court review, all *ex parte* contacts are prohibited in Commission proceedings, such as this one, which involve channel allotments. See 47 CFR 1.1231 for rules governing permissible *ex parte* contact.

For information regarding proper filing procedures for comments, See 47 CFR 1.415 and 1.420.

List of Subjects in 47 CFR Part 73

Radio Broadcasting.

Federal Communications Commission

Mark N. Lipp,

Chief, Allocations Branch, Policy and Rules Division, Mass Media Bureau.

[FR Doc. 87-29474 Filed 12-23-87; 8:45 am]

BILLING CODE 6712-01-M

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47 CFR Part 73

[Docket No. 87-554, RM-5999]

Radio Broadcasting Services; Titusville, FL

AGENCY: Federal Communications Commission.

ACTION: Proposed rule.

SUMMARY: This document requests comments on a petition for rule making filed by Frazer Broadcasting Corporation, licensee of Station WSCF(FM), Titusville, Florida, which seeks to substitute Channel 251C2 for Channel 252A, and to modify its license to specify the Class C2 channel.

DATES: Comments must be filed on or before February 5, 1988, and reply comments on or before February 22, 1988.

ADDRESS: Federal Communications Commission, Washington, D.C. 20554. In addition to filing comments with the FCC, interested parties should serve the petitioner, or its counsel or consultant, as follows: Lawrence M. Miller, Schwartz, Woods and Miller, Suite 206, The Palladium, 1325-18th Street NW., Washington, DC 20036 (Counsel for petitioner).

FOR FURTHER INFORMATION CONTACT: Montrose H. Tyree, Mass Media Bureau, (202) 634-6530.

SUPPLEMENTARY INFORMATION: This is a summary of the Commission's Notice of Proposed Rule Making, MM Docket No. 87-554 adopted November 25, 1987 and released December 16, 1987. The full text of this Commission decision is available for inspection and copying during normal business hours in the FCC Dockets Branch (Room 230), 1919 M Street NW., Washington, DC. The complete text of this decision may also be purchased from the Commission's copy contractors, International Transcription Service, (202) 857-3800, 2100 M Street NW., Suite 140, Washington, DC 20037.

Provisions of the Regulatory Flexibility Act of 1980 do not apply to this proceeding.

Members of the public should note that from the time a Notice of Proposed Rule Making is issued until the matter is no longer subject to Commission consideration or court review, all *ex parte* contacts are prohibited in Commission proceedings, such as this one, which involve channel allotments. See 47 CFR 1.1231 for rules governming permissible *ex parte* contact.

For information regarding proper filing procedures for comments, See 47 CFR 1.415 and 1.420.

List of Subjects in 47 CFR Part 73.

Radio broadcasting.

Federal Communications Commission

Mark N. Lipp,

Chief, Allocations Branch, Policy and Rules Division, Mass Media Bureau.

[FR Doc. 87-29475 Filed 12-23-87; 8:45 am]

BILLING CODE 6712-01-M

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47 CFR Part 73

[MM Docket No. 87-555, RM-6077]

Radio Broadcasting Services; New Richmond, WI

AGENCY: Federal Communications Commission.

ACTION: Proposed rule.

SUMMARY: This document requests comments on a petition by Smith Broadcasting, Inc., licensee of Station WIXK-FM, proposing the substitution of Channel 296C2 for 296A at New Richmond, Wisconsin and modification of its license to specify the higher class frequency. The proposal could provide a first wide area coverage station at New Richmond. A site restriction of 21.1 kilometers (13.1 miles) northeast of the community is required. Also concurrence by the Canadian government is required.

DATES: Comments must be filed on or before February 5, 1988, and reply comments on or before February 22, 1988.

ADDRESS: Federal Communciations Commission, Washington, DC 20554 In addition to filing comments with the FCC, interested parties should serve the petitioners, or their counsel or consultant, as follows: Mark E. Fields, Esquire, P.O. Box 33003, Washington, DC 20033 (Counsel for petitioner); and Smith Broadcasting, Inc., Station WIXK-FM, 125 East Third Street, New Richmond, WI 54017 (Petitioner).

FOR FURTHER INFORMATION CONTACT: Patricia Rawlings (202) 634-6530.

SUPPLEMENTARY INFORMATION: This is a summary of the Commission's Notice of Proposed Rule Making, MM Docket No. 87-555, adopted November 25, 1987, and released December 16, 1987. The full text of this Commission decision is available for inspection and copying during normal business hours in the FCC Dockets Branch (Room 230), 1919 M Street, NW., Washington, DC. The complete text of this decision may also be purchased from the Commission's copy contractors, International Transcription Service, (202) 857-3800, 2100 M Street, NW., Suite 140, Washington, DC 20037.

Provisions of the Regulatory Flexibility Act of 1980 do not apply to this proceeding.

Members of the public should note that from the time a Notice of Proposed Rule Making is issued until the matter is no longer subject to Commission consideration or court review, all *ex parte* contacts are prohibited in Commission proceedings, such as this one, which involve channel allotments. See 47 CFR 1.1231 for rules governing permissible *ex parte* contact.

For information regarding proper filing procedures for comments, See 47 CFR 1.415 and 1.420.

List of Subjects in 47 CFR Part 73

Radio broadcasting.

Federal Communications Commission

Mark N. Lipp,

Chief, Allocations Branch, Mass Media Bureau.

[FR Doc. 87-29476 Filed 12-23-87; 8:45am]

BILLING CODE 6712-01-M

GENERAL SERVICES ADMINISTRATION 6820-61-M

48 CFR Parts 508 and 553

[GSAR Notice No. 5-65]

Acquisition Regulation; Utility Contracts

AGENCY: Office of Acquisition Policy, GSA.

ACTION: Notice of proposed rulemaking.

SUMMARY: This notice invites written comments on a proposed change to the General Services Administration Acquisition Regulation (GSAR) which would revise Part 508 to clarify the Federal Acquisition Regulation definition of utility services, to prescribe policies governing the acquisition of utility services, to prescribe procedures for precontract review for utility contracts, to provide for annual rate reviews, to provide for use of GSA forms for acquiring utility services; and to revise Part 553 to illustrate GSA Forms 1533, Utilities Contract; 1683, Negotiated Electric Utility Contract, and 1684, Technical Provisions (Electric Utility Contract). The intended effect is to improve the regulatory coverage and to provide uniform procedures for contracting under the regulatory system.

DATE: Comments are due in writing on or before January 25, 1988.

ADDRESS: Requests for a copy of the proposal and comments should be addressed to Ms. Marjorie Ashby, Office of GSA Acquisition Policy and Regulations, 18th and F Streets, NW, Room 4024, Washington, DC 20405, (202) 523-3822.

FOR FURTHER INFORMATION CONTACT: Mr. Edward Loeb, Office of GSA Acquisition Policy and Regulations, 18th and F Streets, NW, Room 4029, Washington, DC 20405, (202) 523-4764.

SUPPLEMENTARY INFORMATION: The Director, Office of Management and Budget (OMB), by memorandum dated December 14, 1984, exempted certain procurement regulations from Executive Order 12291. The exemption applies to this proposed rule. The GSA certifies that the document will not have a significant economic effect on a substantial number of small entities under the Regulatory Flexibility Act (5 U.S.C. 601 et seq.). The substance of the proposed rule primarily relates to internal processing of utility contracts within GSA. Therefore, no regulatory flexibility analysis has been prepared. The rule does not contain information collection requirements which require the approval of OMB under (44 U.S.C. 3501 et seq.)

List of Subjects in 48 CFR Parts 508 and 553

Government procurement.

Dated: December 16, 1987.

Ida M. Ustad,

Director, Office of GSA Acquisition, Policy and Regulations.

[FR Doc. 87-29442 Filed 12-23-87; 8:45 am]

BILLING CODE 6820-61-M

DEPARTMENT OF THE TREASURY

48 CFR Part 1033

Acquisition Regulations; Submission and Disposition of Protests

AGENCY: Department Offices, Treasury.

ACTION: Proposed Rule.

SUMMARY: This regulation would establish uniform procedures in 48 CFR Part 1033 for submission and disposition of protests filed with the Department of the Treasury. The proposed regulation is intended to provide standard time frames for filing of agency-level protests, a clear format for such protests, and guidance to Treasury bureau procurement offices for handling agency protests.

DATE: Comments should be submitted to the address below by February 22, 1988.

ADDRESS: Interested parties should submit written comments to: Department of the Treasury, Departmental Offices, Office of Procurement, Room 1458, 1500 Pennsylvania Avenue NW., Washington, DC 20220.

FOR FURTHER INFORMATION CONTACT: Robert E. Lloyd, Procurement Analyst, telephone (202) 566-2115.

SUPPLEMENTARY INFORMATION:

A. Regulatory Flexibility Act

It is hereby certified that the proposed rule will not have a significant economic impact on a substantial number of small entities. Accordingly, the analysis requirements of the Regulatory Flexibility Act (5 U.S.C. 601 et seq.) do not apply. The proposal would clarify protest procedures and does not affect the rights of any entity to make a protest.

B. Paperwork Reduction Act

The collection of information contained in the proposed regulation has been submitted to the Office of Management and Budget pursuant to section 3504(h) of the Paperwork Reduction Act (44 U.S.C. 3501). Comments on these requirements should be sent to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, DC 20503, Attention: Desk Officer for Departmental Offices, Department of the Treasury. Copies of these documents also should be sent to the Department at the address previously specified.

C. Executive Order 12291

Because this document relates to agency organization and management, it is not subject to Executive Order 12291. Accordingly, a regulatory impact analysis is not required.

Lists of Subjects in 48 CFR Part 1033

Government procurement, Protests, Disputes, Appeals.

Dated: December 15, 1987.

Thomas P. O'Malley,

Director, Office of Procurement [Procurement Executive].

Title 48 of the Code of Federal Regulations is amended as set forth below:

PART 1033—PROTESTS, DISPUTES, AND APPEALS

1. The authority citation for Part 1033 continues to read as follows:

Authority: 41 U.S.C. 418b (a) and (b), as delegated by Department of the Treasury Orders 101-30 and Treasury Directive 12-11.

2. Subpart 1033.1, consisting of section 1033.103, is added to read as follows:

Subpart 1033.1—Protests

1033.103 Protests to the Agency.

(a) *Policy.* It is the Department's policy to resolve protests in an informal manner whenever possible. Protesters are strongly encouraged to address their concerns to the contracting officer prior to resorting to litigation or other formal, external means of resolution.

(b) *Procedures.* (1) Agency protests may be submitted by interested parties to the contracting officer. Protests based on alleged improprieties in a solicitation must be received before the time specified for receipt of bids, proposals, or quotations; other protests must be received by the contracting officer no later than 10 working days after the basis for the protest is known or should have been known, whichever is earlier. These time limits may be extended by the contracting officer if it is determined to be in the Government's best interest.

(2) Protests shall be in writing and shall include, as a minimum, the following information:

(i) Name, address, and telephone number of the protestor;

(ii) Solicitation or contract number;

(iii) Detailed statement of the legal and factural grounds for the protest, including copies of relevant documents;

(iv) Request for a ruling by the contracting officer to whom the protest is submitted;

(v) Statement as to the form of relief requested.

(3) Protest submissions shall be concise, logically arranged, and state sufficient grounds of protest. If an oral protest is received, the protestor shall be required to submit the protest in writing within the time specified in paragraph (b)(1) above. Failure to comply with any of the above requirements may be grounds for dismissal of the protest.

(4) Upon receipt of an agency protest, the contracting officer shall:

(i) Immediately notify legal counsel and the Departmental Office of Procurement (MMK) and provide each with a copy of the protest;

(ii) Prepare a report similar to that prescribed in FAR 33.104(a)(2);

(iii) Ensure that the protest response is received by the protestor and interested parties no later than 25 working days after receipt of the protest;

(iv) Obtain review of the protest response by legal counsel and forward the protest response of MMK review and approval at least three working days prior to the due date;

(v) Ensure that any pre-award protest is answered prior to award.

(5) The contracting officer shall advise all interested parties of any delays in responding to the protest. If the contracting officer and the protestor agree on corrective action, a report is not required; however, in addition to amending the solicitation or taking other corrective action, the contracting officer shall inform the protestor and all interested parties in writing of the proposed corrective action and shall obtain from the protestor a written notice withdrawing the protest. A copy of this notice shall be provided to MMK.

(6) If a written protest before award has been lodged with the contracting officer, only the bureau chief procurement officer may make the determination described in FAR 33.103(a). Prior to making an award of a contract under the circumstances in FAR 3.103(a), the advice of legal counsel shall be obtained.

(7) If a written protest after award has been lodged with the contracting officer, contract performance need not be suspended if the bureau chief procurement officer makes a written determination that contract performance will be in the Government's best interest.

[FR Doc. 87-29513 Filed 12-23-87; 8:45 am]

BILLING CODE 4810-25-M

Notices

Federal Register
Vol. 52, No. 247
Thursday, December 24, 1987

This section of the FEDERAL REGISTER contains documents other than rules or proposed rules that are applicable to the public. Notices of hearings and investigations, committee meetings, agency decisions and rulings, delegations of authority, filing of petitions and applications and agency statements of organization and functions are examples of documents appearing in this section.

DEPARTMENT OF AGRICULTURE

Federal Grain Inspection Service

Advisory Committee Meeting

Pursuant to the provisions of section 10(a)(2) of the Federal Advisory Committee Act (Pub. L. 92–463), a notice is hereby given of the following committee meeting:

Name: Federal Grain Inspection Service Advisory Committee.
Date: January 22, 1988.
Place: Hyatt Regency Houston, 1200 Louisiana Street, Houston, Texas 77002.
Time: 8:30 a.m.
Purpose: To provide advice to the Administrator of the Federal Grain Inspection Service on the efficient and economical implementation of the U.S. Grain Standards Act of 1976 and to assure the normal movement of grain in an orderly and timely manner.

The agenda includes: (1) Wheat classification; (2) quality control; (3) FGIS response to sorghum recommendations; (4) financial matters; (5) CUSUM; and (6) other matters.

The meeting will be open to the public. Public participation will be limited to written statements unless otherwise requested by the Committee Chairman. Persons, other than members, who wish to address the Committee at the meeting or submit written statements before or at the meeting should contact W. Kirk Miller, Administrator, FGIS, U.S. Department of Agriculture, P.O. Box 96454, Washington, D.C. 20090–6454, telephone (202) 382–0219.

Dated: December 18, 1987.

W. Kirk Miller,

Administrator, Federal Grain Inspection Service.

[FR Doc. 87–29553 Filed 12–23–87; 8:45 am]
BILLING CODE 3410-EN-M

Soil Conservation Service

Colorado River Basin Salinity Control Project, Big Sandy River Unit, WY

AGENCY: Soil Conservation Service, USDA.

ACTION: Notice of availability of a record of decision.

SUMMARY: Frank S. Dickson, responsible Federal official for projects administered under the provisions of Pub. L. 93–320, as amended in 1984, in the State of Wyoming, is hereby providing notification that a record of decision to proceed with the installation of the Colorado River Basin Salinity Control Project, Big Sandy River Unit, Wyoming, is available. Single copies of this record of decision may be obtained from Frank S. Dickson at the address shown below.

FOR FURTHER INFORMATION CONTACT: Frank S. Dickson, State Conservationist, Soil Conservation Service, Federal Building, Room 3124, 100 East B Street, Casper, Wyoming 82601, telephone 307–261–5201.

(This activity is listed in the Catalog of Federal Domestic Assistance Program No. 10.906 River Basin Surveys and Investigations and is subject to the provisions of Executive Order 12372, which requires intergovernmental consultation with State and local officials.)

Frank S. Dickson,

State Conservationist.

Date: December 15, 1987.

[FR Doc. 87–29436 Filed 12–23–87; 8:45 am]
BILLING CODE 3410-16-M

DEPARTMENT OF COMMERCE

Agency Information Collections Under Review by Office of Management and Budget (OMB)

DOC has submitted to OMB for clearance the following proposals for collection of information under the provisions of the Paperwork Reduction Act (44 U.S.C. Chapter 35).

Agency: National Oceanic and Atmospheric Administration
Title: Application for Commission in the NOAA Corps
Form Numbers: NOAA–56–42, 56–42A, 56–42C, and 56–42D; OMB–0648–0047
Type of Request: Extension of the expiration date of a currently approved collection
Burden: 216 respondents; 396 reporting hours
Needs and Uses: This collection is used to apply for a Commission in the NOAA Corps. The information is used to evaluate the qualifications of applicants.
Affected Public: Individuals
Frequency: On occasion
Respondent's Obligation: Required to obtain or retain a benefit
OMB Desk Officer: John Griffen 395–7340

Agency: National Oceanic and Atmospheric Administration
Title: Sea Grant Budget
Form Numbers: NOAA–90–4; OMB–0648–0034
Type of Request: Extension of the expiration date of a currently approved collection
Burden: 40 respondents; 200 reporting hours
Needs and Uses: Under the National Sea Grant Program Act, NOAA awards both single and multi-project grants for the purpose of improving ocean and coastal resources. Each element of a multi-project grant is judged both individually and as part of the complete proposal. The information collected is used by both the grantor and grantee to determine the cost of each project in a proposal and to determine the allowability of matching costs. It is also used in negotiating costs and in the administrative control of expenditures.
Affected Public: State or local governments; nonprofit institutions
Frequency: Annually
Respondent's Obligation: Required to obtain or retain a benefit
OMB Desk Officer: John Griffen 395–7340

Agency: National Oceanic and Atmospheric Administration
Title: Sea Grant Control
Form Number: NOAA–90–1; OMB–0648–0008
Type of Request: Extension of the expiration date of a currently approved collection
Burden: 40 respondents; 20 reporting hours
Needs and Uses: Under the authority of the National Sea Grant Program Act, NOAA awards grants for research and other activities for the purpose of improving ocean and coastal resources. This data collection requests respondents to summarize information on the content of grant proposals. The information primarily concerns identification of the participating organizations and personnel involved in a project. It is

used by program staff to evaluate the overall proposal to assure that the resources to be cummitted are adequate for the project.
Affected Public: State or local governments; nonprofit institutions
Frequency: Annually
Respondent's Obligation: Required to obtain or retain a benefit
OMB Desk Officer: John Griffen 395–7340

Copies of the above information collection proposals can be obtained by calling or writing DOC Clearance Officer, Edward Michals, (203) 377–3271, Department of Commerce, Room 6622, 14th and Constitution Avenue NW., Washington, DC 20230.

Written comments and recommendations for the proposed information collections should be sent to John Griffen, OMB Desk Officer, Room 3228, New Executive Office Building, Washington, DC 20503.

Dated: December 17, 1987.

Edward Michals,

Departmental Clearance Officer, Office of Management and Organization.

[FR Doc. 87–29531 Filed 29531–87; 8:45 am]

BILLING CODE 3510-CW-M

Agency Form Under Review by Office of Management and Budget (OMB)

DOC has submitted to OMB for clearance the following proposals for collection of information under the provisions of the Paperwork Reduction Act (44 U.S.C. Chapter 35).

Agency: National Oceanic and Atmospheric Administration
Title: Logbook Family of Forms—Catcher/Processor Transfer Logs
Form Number: Agency—N/A; OMB—0648–0016
Type of Request: Revision of a currently approved collection
Burden: 25 respondents; 324 new reporting hours
Needs and Uses: This new collection will require catcher/processor and mothership processor vessels operating in the Gulf of Alaska or in the Bering Sea and Aleutian Islands area to maintain onboard a transfer log and to report information weekly about transfers and off-loadings of groundfish products. The information is needed to monitor compliance with quotas and bycatch limits for catcher/processors and motherships in the Alaskan groundfisheries.
Affected Public: Businesses or other for-profit institutions; small businesses or organizations
Frequency: On occasion; weekly
Respondent's obligation: Mandatory
OMB Desk Officer: John Griffen 385–7340

Copies of the above information collection proposal can be obtained by calling or writing DOC Clearance Officer Edward Michals (202) 377–3271, Department of Commerce, Room 6622, 14th and Constitution Avenue, NW., Washington, DC 20230.

Written comments and recommendations for the proposed information collection should be sent to John Griffen, OMB Desk Officer, Room 3228, New Executive Office Building, Washington, DC 20503.

Dated: December 18, 1987.

Edward F. Michals,

Departmental Clearance Officer, Office of Management and Organization.

[FR Doc. 87–29532 Filed 12–23–87; 8:45 am]

BILLING CODE 3510-CW-M

Foreign-Trade Zones Board

[Docket No. 45–87]

Foreign-Trade Zone 23, Buffalo, NY; Application for Expansion

An application has been submitted to the Foreign-Trade Zones Board (the Board) by Erie County, New York, grantee of Foreign-Trade Zone 23, requesting authority to expand the zone to include an additional site in Erie County, within the Buffalo Customs port of entry. The application was submitted pursuant to the provisions of the Foreign-Trade Zones Act, as amended (19 U.S.C. 81a–81u), and the regulations of the Board (15 CFR Part 400). It was formally filed on December 16, 1987.

The Buffalo Zone was approved in March 1976, and comprises five sites (124 acres) in Buffalo, Erie County, New York. The requested change would enlarge existing zone Site 1 (Gateway Trade Center—36,000 sq. ft. bldg.) to include two parcels of industrial park space totaling 225 acres within the Gateway Trade Center: parcel A (150 acres) is the former Bethlehem Steel plant bounded by the Union and Lackawanna Canals; and, parcel B (75 acres) is bounded by Lohr Ave. and Ridge Road. The Site operator is Gateway Trade Center, Inc., a subsidiary of Buffalo Crushed Stone, Inc.

The proposed site, which has been designated a State of New York Opportunity Zone, is being requested as part of Erie County's efforts to improve foreign-trade zone services for potential industrial users. Specific manufacturing approvals would be requested from the Board on a case-by-case basis as specific proposals arise.

In accordance with the Board's regulations, an examiners committee has been appointed to investigate the application and report to the Board. The committee consists of: Joseph Lowry (Chairman), Foreign-Trade Zones Staff, U.S. Department of Commerce, Washington, DC 20230; Edward A. Goggin, Assistant Regional Commissioner, U.S. Customs Service, Northeast Region, 100 Summer Street, Boston, MA 02110–2104; and Colonel Daniel R. Clark, District Engineer, U.S. Army Engineer District Buffalo, 1776 Niagara Street, Buffalo, NY 14207–3199.

Comments concerning the proposed expansion are invited in writing from interested parties. They should be addressed to the Board's Executive Secretary at the address below and postmarked on or before February 5, 1988.

A copy of the application is available for public inspection at each of the following locations:

U.S. Department of Commerce, District Office, 1312 Federal Building, 111 West Huron Street, Buffalo, NY 14202
Office of the Executive Secretary, Foreign-Trade Zones Board, U.S. Department of Commerce, 14th & Pennsylvania Ave. NW., Room 1529, Washington, DC 20230

Dated: December 18, 1987.

John J. Da Ponte,

Executive Secretary.

[FR Doc 87–29533 Filed 12–23–87; 8:45 am]

BILLING CODE 3510-DS-M

International Trade Administration

[C-475-702]

Preliminary Negative Countervailing Duty Determination; Certain Granite Products From Italy

AGENCY: Import Administration, International Trade Administration, Commerce.

ACTION: Notice.

SUMMARY: We preliminarily determine that no benefits which constitute subsidies within the meaning of the countervailing duty law are being provided to manufacturers, producers or exporters in Italy of certain granite products as described in the "Scope of Investigation" section of this notice. The estimated net subsidy is 0.36 percent *ad valorem* for Granitex S.p.A. and for all non-respondent manufacturers, producers and exporters in Italy of certain granite products. This rate is *de minimis*. The rate for all other

respondent companies is either *de minimis* or zero.

We have notified the U.S. International Trade Commission (ITC) of our determination. If this investigation proceeds normally, we will make a final determination by March 3, 1988.

EFFECTIVE DATE: December 24, 1987.

FOR FURTHER INFORMATION CONTACT: Mark Linscott, Lori Cooper or Barbara Tillman, Office of Investigation, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; telephone: (202) 377–8330, 377–8320 or 377–2438.

SUPPLEMENTARY INFORMATION:

Preliminary Determination

Based on our investigation, we preliminary determine that no benefits which constitute subsidies within the meaning of section 701 of the Tariff Act of 1930, as amended (the Act), are being provided to manufacturers, producers or exporters in Italy of certain granite products. For purpose of this investigation, the following programs are preliminarily found to be countervailable:

- Reduction of Social Security Payments for Companies Located in the Mezzogiorno Region.
- Regional Loan Program under Law 902.
- Local Tax Concessions under Law 614.

We preliminarily determine the estimated net subsidy to be 0.36 percent *ad valorem* for Granitex S.p.A. and for all non-respondent manufacturers, producers and exporters in Italy of certain granite products. This rate is *de minimis* and, as such, does not constitute a subsidy.

Case History

Since the last **Federal Register** publication pertaining to this investigation [the Notice of Initiation (52 FR 31651, August 21, 1987)], the following events have occurred. On August 27, 1987, we presented a questionnaire to the Government of Italy in Washington, DC, concerning petitioner's allegations. Due to the large number of Italian producers and exporters of the subject merchandise, we followed our practice of requesting the government to identify the largest producers and exporters in rank order comprising 60 percent of the value of the subject merchandise exported to the United States in 1986, and to forward questionnaires to them.

On September 21, 1987, all of the companies identified by the Italian government as comprising the top 60 percent filed timely requests for exclusion from any countervailing duty order (*See* section on exclusion requests, below). On September 27, 1987, the following firms submitted responses to our questionnaire, which included responses on behalf of their related companies: Campolonghi Italia S.p.A., Euromarble S.p.A., Formai & Mariani S.R.L., Fratelli Guarda S.p.A., Henraux S.p.A., Pisani Brothers S.p.A., and Savema S.p.A. On September 30, 1987, we received a response from the Government of Italy.

Because the largest firms accounting for 60 percent requested exclusion, thereby setting themselves on a separate investigative track from those Italian companies that did not request exclusion, we chose a new representative group of companies and requested questionnaire responses from them. In accordance with our standard practice, we selected the largest producers and exporters accounting for at least 60 percent of the value of the remaining pool of the subject merchandise exported to the United States after deducting from total exports of subject merchandise to the United States and value of exports of the companies requesting exclusion.

Based on our analysis, we determined that responses from the following ten additional companies were necessary to ensure that our investigation covered a group of companies that is representative of all Italian companies which export the subject merchandise to the United States: Alimonti Fratelli S.p.A., Antolini Luigi & Company S.p.A., Cremar S.p.A., Granitex S.p.A., Guglielmo & Alberto Bonotti S.n.C., Marcolini Marmi S.p.A., Margraf S.p.A., Porcelli Marmi S.p.A., Serio Carlo & Company S.p.A., and Valsega Marmi S.n.C.

On October 30, 1987, we informed the Italian government that we would seek questionnaire responses from the ten additional companies listed above, and on November 2, 1987, we presented a questionnaire to the Government of Italy concerning these companies. Responses from the additional companies and from the government were received on December 3, 1987. In addition, on November 18, 1987, we delivered supplemental/deficiency questionnaires to the Government of Italy and all companies requesting exclusion. This questionnaire included questions concerning programs that were not alleged by petitioner but which we discovered in reviewing the original responses. We received supplemental responses on December 4, 1987.

On September 23, 1987, the petitioner requested that the preliminary determination be postponed for 21 days. Pursuant to section 703(c)(1)(A) of the Act, we postponed the preliminary determination to no later than November 12, 1987. On November 4, 1987, the petitioner requested that we further postpone the preliminary determination by an additional 36 days. Accordingly, we extended the date of the preliminary determination to December 18, 1987.

Exclusion Requests

On September 21, 1987, in accordance with § 355.38 of the Commerce regulations (19 CFR 355.38) and § 355.14 of the proposed regulations (50 FR 24207, June 10, 1985), the largest companies comprising 60 percent of the value of exports of the subject merchandise to the United States in 1986 requested exclusion from any possible countervailing duty order which might result from this investigation, claiming not to have benefited from any subsidies. On September 29, 1987, we sent the Italian embassy a letter explaining the requirements for government certification of the exclusion requests, as required under the proposed regulations. We confirmed that a company would be eligible for exclusion if it either did not participate, or participated only at a *de minimis* level overall, in the programs under investigation. We also informed the Italian government that it was required to certify either non-use by the companies of these programs, or that the overall net benefit received under these programs during the review period was *de minimis*. In addition, we requested that the government provide information on the amounts of benefits received and a calculation of any net benefits for each company requesting exclusion. Finally, we confirmed that only those companies which produce and export the subject merchandise to the United States are eligible for exclusion. We received the government certifications on November 9, 1987.

Based upon our analysis of the responses submitted by the companies requesting exclusion and of the government certification, we have determined preliminarily that those companies producing and exporting the subject merchandise would qualify for exclusion. Only two of these companies used any of the countervailable programs and the estimated net subsidy for each is *de minimis* (*See* sections I.A. and B.). However, exclusion is only

relevant within the context of an affirmative determination for which there would be an estimated net subsidy rate and corresponding provisional measures from which to be excluded. Here, we have preliminarily found the estimated net subsiody for respondent companies that did not request exclusion to be *de minimis*. Therefore, for purposes of this preliminary negative determination, the exclusion provision does not apply. If our final determination is affirmative, we will exclude companies only if verification confirms the accuracy of the company responses and of the government certification.

Scope of Investigation

The products covered by this investigation are certain granite products from Italy. Certain granite products are ⅜ inch (1 cm) to 2½ inches (6.34 cm) in thickness and include the following: rough sawed granite slabs; face-finished granite slabs; and finished dimensional granite including, but not limited to, building facing, flooring, wall and floor tiles, paving, and crypt front. Certain granite products do not include monumental stones, crushed grranite, or curbing. Certain granite products are currently classified under *TSUSA* item number 513.7400 and under *HS* item numbers 2516.12.00, 6802.23.00 and 6802.93.00.

Analysis of Programs

Throughout this notice, we refer to certain principles applied to the facts of the current investigation. These general principles are described in the "Subsidies Appendix" attached to the notice of *Cold-Rolled Carbon Steel Flat-Rolled Products from Argentina: Final Affirmative Countervailing Duty Determination and Countervailing Duty Order* (49 FR 18006, April 26, 1984).

Consistent with our practice in preliminary determinations, when a response to an allegation denies the existence of a program, receipt of benefits under a program, or eligibility of a company or industry under a program, and the Department has no persuasive evidence showing that the response is incorrect, we accept the response for purposes of the preliminary determination. All such responses however, are subject to verification. If the responses cannot be supported at verification, and a program is otherwise countervailable, it will be considered a subsidy in the final determination.

For those respondent companies that requested exclusion yet received benefits under countervailable programs, we calculated individual company subsidy rates (*See* sections I.A. and B. of this notice). When we receive exclusion requests, we calculate rates company by company to determine whether each firm does in fact qualify for exclusion.

For respondent companies that did not request exclusion, we would typically calculate a country-wide rate. This calculation would not include companies that did not participate in any of the countervailable programs. Of those respondent companies that did not request exclusion, only one actually participated in a countervailable program. We have calculated the estimated net subsidy based on the benefits received by the one additional company that did participate in a countervailable program. This benefit is divided by that company's sales to yield a country-wide rate that applies to this company and to all non-respondent companies (*See* section I.C. of this notice). As stated above, this rate is *de minimis*; therefore, our preliminary determination is negative.

For purposes of this preliminary determination, the period for which we are measuring subsidization ("the review period") is calendar year 1986. This period coincides with the most recently completed fiscal year of all but one of the respondent companies.

Based upon our analysis of the petition, the responses to our questionaires, and the government certification of exclusion requests, we preliminarily determine the following:

I. Programs Preliminary Determined to Confer Subsidies

We preliminarily determine that subsidies are being provided to manufacturers, producers or exporters in Italy of certain granite products under the following programs:

A. Reductions in Social Security Payments for Companies Located in the Mezzogiorno Region

According to the government responses, all Italian companies that operate facilities in the Mezzogiorno region of southern Italy are entitled to a reduction in social security payments owed to the National Social Security Institute (INPS) equivalent to ten percent of the wages subject to the INPS contribution for all workers employed in this region. The reduction may be increased to 20 percent of wages for all employees hired after September 30, 1968, over and above the number of individuals employed by the company on that date. For staff hired after July 1, 1976, but before December 31, 1980, qualifying companies can receive a total exemption from payments owed to the INPS.

According to the company response, only Henraux owns facilities in the Mezzogiorno. The company response states that Henraux owns five stockyards in the Mezzogiorno. Henraux received reductions in social security payments during the review period for employees at these stockyards.

Because benefits under this program are available only to firms that locate facilities in the Mezzogiorno, we preliminarily determine that this program is limited to a specific enterprise or industry, or group of enterprises or industries and, therefore, is countervailable.

Henraux filed a timely request for exclusion and was certified by the Government of Italy as having received only *de minimis* benefits under this program during the review period. According to the responses, Henraux did not participate in any other Mezzogiorno program (*See* section III.D. of this notice).

We calculated a company-specific rate for Henraux under this program because it requested exclusion from any countervailing duty order that may be imposed through this investigation. A company-specific rate is necessary to determine preliminarily whether Henraux qualifies for exclusion. To calculate the benefit under this program, we divided the total value of the social security reductions Henraux received the review period by its total sales of all products during the review period and arrived at an estimated net subsidy of 0.08 percent *ad valorem* for Henraux. The rate is zero for all others.

B. Regional Loan Program Under Law 902

According to the responses, Italian Law 902 authorizes loans at less than prevailing market rates to small- and medium-sized businesses located in northern and central Italy. Firms participating in this program must use the financing for plant modernization. These loans carry fixed interest rates with terms of seven to ten years.

Loans pursuant to Law 902 may be given for up to 60 percent of the total cost of the project. The total project cost upon which the 60 percent calculation is based may include up to 40 percent of the value of the raw materials necessary to begin production using the intended facility. The interest rates are 50 to 60 percent of a "reference rate" periodically set by the Ministry of the Treasury, plus a commission charge to cover the lending institution's expenses and profits. Giuseppe Furrer, a related company of Henraux, was the only

company with a 902 loan outstanding during the review period.

Because only firms that have facilities located in designated regions in Italy are eligible to receive loans under Law 902, we preliminarily determine that they are limited to a specific enterprise or industry, or group of enterprises or industries. To determine whether 902 loans are inconsistent with commercial considerations, we compared the interest rate on the 902 loan to the appropriate benchmark.

For long-term loans, it is our practice to use a company-specific benchmark, based on the company's cost of long-term financing from commercial sources in the year in which the terms of the loan in question were agreed upon. Because the responses contained insufficient information to establish a company-specific benchmark, we used as our benchmark the national average long-term interest rate for the stone-processing industry in 1983, the year in which the terms of the loan were agreed upon, as reported in the government response. Because the interest rate on the 902 loan received by Giuseppe Furrer was below the benchmark rate, we preliminarily determine that the loan was provided on terms inconsistent with commercial considerations.

Giuseppe Furrer filed a timely request for exclusion and was certified by the Government of Italy as having received only *de minimis* benefits under this program during the review period. Because Giuseppe Furrer requested an exclusion in this investigation, we calculated a company-specific rate under this program. A company-specific rate is necessary to determine preliminarily whether Giuseppe Furrer qualifies for exclusion.

To calculate the benefit from the 902 loan received by Giuseppe Furrer, we used our long-term fixed-rate loan methodology, as set forth in the Subsidies Appendix. For the discount rate, we used the benchmark interest rate. The benefit allocated to the review period was divided by Giuseppe Furrer's total sales of all products during this review period. We calculated an estimated net subsidy of 0.07 percent *ad valorem* for Giuseppe Furrer. The rate is zero for all others.

C. Local Tax Concessions Under Law 614

Under Article 30 of Law 614, Italian companies that establish or expand facilities in designated depressed territories in northern and central Italy are entitled to reductions in local corporate income tax rates. Reductions may be claimed for ten years following the establishment or expansion of a facility. According to the government response, this program expired on December 31, 1985, although it was extended until December 31, 1990, exclusively for depressed territories in the regions of Friuli-Venezia Giulia and Marches. Residual bendits under this program may continue for ten years following expiration.

Because this program is available only to firms that invest in designated areas in northern and central Italy, we preliminarily determine that it is limited to a specific enterprise or industry, or group of enterprises or industries and, therefore, is countervailable.

Of the respondent companies, only Granitex received a reduction in corporate income taxes under this program for the tax return filed during the review period. We calculated the benefit under this program based on the company's overall corporate tax liability, which includes national corporate tax and local corporate tax, for the tax return filed during the review period. We first determined the difference between what Granitex paid in total corporate income taxes during the review period and what it would have paid absent this program. We then divided this amount by Granitex's total sales of all products during this period. Based on this calculation, we arrived at an estimated net subsidy of 0.36 percent *ad valorem* for Granitex and for all-nonrespondent producers, manufacturers and exporters in Italy of certain granite products. The rate is zero for all others.

II. Programs Preliminarily Determined not to Confer A Subsidy

We preliminarily determine that subsidies are not being provided to manufacturers, producers or exporters in Italy of certain granite products under the following programs. These programs were discovered in the course of our review of the company responses and were alleged by petitioner.

A. Reinvestment Fund Under Article 54 of DPR 597/73

According to the responses, Italian firms are permitted to claim a tax exemption for any capital gains earned on the sale of fixed assets, provided that the gains are reinvested in capital assets. Article 54 of Presidential Decree (DPR) 597/73 states that firms must establish a special liability fund for capital gains, and reinvest these tax-exempt gains in depreciable assets in the second fiscal year following the one in which the gains were realized.

According to the government response, this provision of Italian tax law is available to all entities in Italy, regardless of geographic location or type of industry. Receipt of this exemption is only contingent upon a company's subsequent use of the gains for reinvestment in capital assets. Because benefits under Article 54 of DPR/73 are available to all Italian firms, we preliminarily detemine that this provision is not limited to a specific enterprise or industry, or group of enterprises or industries.

B. Accelerated Depreciation

According to the responses, Articles 68 of DPR 597 sets forth rules governing the depreciation of assets under Italian tax law. The normal deductible depreciation of a company's assets is dependent upon how the asset is classified in the Italian government's depreciation schedule. The deduction may be increased during each fiscal year if assets are used more intensely than is normal for that particular production activity. In addition, accelerated depreciation above the normal rate can be claimed for the first three years after the asset is acquired.

The government response states that these rates of depreciation under Article 68 of DPR 597, including the accelerated rate, are available to all Italian companies regardless of geographic location or type of industry. Therefore, we preliminarily determine that this program is not limited to a specific enterprise or industry, or group of enterprises or industries.

C. Revaluation of Assets under Law 72 of 1983 and Law 576 of 1975

According to the responses, the Italian government allowed all companies to revalue assets in 1975 and again in 1983 to reflect market value rather than book value. The revaluations were necessary to account for periods of high inflation which preceded these years. Because all Italian firms, regardless of geographic location or type of industry, were permitted to revalue assets, we preliminarily determine that these revaluations were not limited to a specific enterprise or industry, or group of enterprises or industries.

D. Contributions Under Article 55 of DPR 597

According to the responses, Article 55 of DPR 597, relating to "contingent assets," authorizes all Italian companies to establish a reserve fund which postpones the payment of taxes on certain monies received by a company until such funds are distributed as profits to that company's shareholders. Funds received from the government in the form of a reimbursement, for

example, would be included on the asset side of a company's balance sheet. Article 55 permits the company to preserve the tax-exemption by establishing an offsetting reserve fund on the debit side of its balance sheet, such that the money held on reserve becomes taxable only when distributed as profits.

Because Article 55 applies to all taxpayers regardless of geographic location or type of industry, we preliminarily determine that this program is not limited to a specific enterprise or industry, or group of enterprises or industries.

III. Programs Preliminarily Determined Not to be Used

We primarily determine that the following programs were not used by manufacturers, producers or exporters in Italy of certain granite products during the review period.

A. Rebates of Indirect Taxes Under Law 639

Italian Law 639 authorizes the rebate of customs duties and certain indirect taxes upon the export of products containing certain raw materials. According to the responses, the respondent companies were not eligible to receive benefits under this program because it is available only to mechanical industries which do not include the stone-processing industry.

B. Export Credit Financing

Under Italian Law 227, a medium-term export credit line is available to foreign purchasers that import Italian goods and services. Administered by Mediocredito Centrale, this program applies only to export credits of greater than 18 months. According to the responses, no U.S. purchasers of the subject merchandise produced or exported by the respondent companies had outstanding credit lines under this program during the review period.

C. Preferential Transportation Rates

Under Italian State Act 210/85, Italian firms may apply for and receive preferential transportation rates from the State-owned railroad of Italy. Rate reductions are provided to companies agreeing to ship a certain amount of freight within a certain period of time. According to the responses, none of the respondent companies claimed or received preferential transportation rates under this program during the review period.

Italian State Act 877/84 provides a 30 percent reduction in state-owned railroad rates for shipments of raw mineral substances produced in the Italian islands. For raw mineral substances produced and processed in the Italian islands, the rate is reduced by 60 percent. The responses indicate that none of the companies under investigation received benefits under this program.

D. Mezzogiorno Regional Assistance Programs

According to the responses, companies with facilities located in the Mezzogiorno region of southern Italy are eligible for certain goernment programs aimed at the economic development of this region. The programs alleged by the petitioner under this regional development plan are: (1) National corporate tax exemptions; (2) local corporate tax exemptions; (3) capital grants; (4) interest rate reductions; and (5) reductions in social payments. According to the responses, the first four programs were not used by the respondent companies during the review period. The last program, reductions in the social security payments, is described in section I.A. of this notice.

IV. Program Preliminarily Determined Not To Exist

We preliminarily determine that the following program does not exist.

Loans Under Law 908

Petitioner alleged that, under Italian Law 908, manufacturers, producers and exporters in Italy of certain granite products receive subsidized loans at below market rates and on preferential terms for certain industrial projects in northern and central Italy. According to the government and company responses, Law 908 does not exist.

V. Programs for Which Additional Information Is Needed

We preliminarily determine that we need additional information in order to determine whether the following programs confer subsidies on the manufacture, production or exportation of certain granite products from Italy.

A. Sabatini Law

Although this program was not alleged by the petitioner, the company responses indicate that several firms received assistance under the Sabatini Law during the review period. In our supplemental questionnaire, we requested information on the purpose and administration of the law.

According to the supplemental responses, the Sabatini Law was enacted to stimulate investments in machine tools and production machinery in order to modernize and revitalize Italian industry. Manufacturers of capital equipment may sell equipment in exhcnage for notes payable within five years. These five-year notes, in turn, can be discounted with medium-term Italian credit institutions at less than prevailing market rates. Since 1985, the Sabatini Law has been extended to capital equipment of foreign origin. In addition, the government response indicates that purchasers of equipment may receive discounts on interest rates that are charged on the notes payable to the manufacturer of the equipment.

The government's response raised several questions concerning the operation and administration of the Sabitini Law. Although the response indicates that purchasers of capital equipment may benefit from reduced interest rates on the notes payable, it does not describe to what degree these interest rates are reduced nor whether any other terms of purchase are affected.

Furthermore, although the government and company responses state that all companies, regardless of region or industry, are eligible to participate in this program, it is not clear whether benefits under the Sabatini Law have in fact been provided to more than a specific enterprise or industry or group of enterprises or industries. To determine whether benefits granted under the Sabatini Law are limited in any way, we are requesting the following information: (1) Further information on the process through which purchasers of capital equipment apply for and receive assistance under this law; (2) a translated copy of all provisions of the Sabatini Law; and (3) a complete list of the Italian industries which have received loans or assistance under this program.

B. Law 696/83

Although this program was not alleged by the petitioner, the company responses indicate that several firms received assistance under Law 696/83 during the review period. In our supplemental questionnaire, we requested information on the purpose and operation of this program.

According to the supplemental responses, Law 696/83 provides an incentive for Italian companies to invest in high technology equipment. All Italian companies with a net worth below a specified level that are engaged in mining or manufacturing are eligible under Law 696/83 to receive a refund of 25 percent of the purchase price for purchases of certain highly sophisticated electronic equipment. Orders for such equipment made before

May 31, 1984, are eligible for the 25 percent refund.

The government's response does not identify specific classes of electronic equipment that are eligible for treatment under Law 696/83. Absent such information, we cannot determine whether eligibility criteria are drawn so narrowly as to preclude many industries from taking advantage of benefits offered under this program. Furthermore, although the government and company responses state that all small- and medium-sized companies operating in the mining and manufacturing sectors are eligible for benefits under Law 696/83, it is not clear whether these benefits have in fact been provided to more than a specific enterprise or industry or group of enterprises or industries.

To determine whether benefits granted under Law 696/83 are limited to a specific enterprise or industry, or group of enterprises or industries, we are requesting the following information: (1) A full explanation of all criteria that determine what types of equipment qualify under this program; (2) a translated copy of all provisions of Law 696/83; and (3) a complete list of industries which have received benefits under this program.

Verification

In accordance with section 776(a) of the Act, we will verify the information used in making our final determination.

ITC Notification

In accordance with section 703(f) of the Act, we will notify the ITC or our determination. In addition, we are making available to the ITC all nonprivileged and nonproprietary information relating to this investigation. We will allow the ITC access to all privileged and business proprietary information in our files, provided the ITC confirms that it will not disclose such information, either publicly or under an administrative protective order, without the written consent of the Assistant Secretary for Import Administration.

If our final determination is affirmative, the ITC will determine whether these imports materially injure, or threaten material injury to, a U.S. industry within 75 days after the Department makes its final determination.

Public Comment

In accordance with 19 CFR 355.35, we will hold a public hearing, if requested, to afford interested parties an opportunity to comment on this preliminary determination on February 2, 1988, at 2:00 p.m. at the U.S. Department of Commerce, Room 3708, 14th Street and Constitution Avenue, NW., Washington, DC 20230. Individuals who wish to participate in the hearing must submit a request to the Assistant Secretary for Import Administration, Room B-099, at the above address within ten days of the publication of this notice in the **Federal Register.**

Requests should contain: (1) The party's name, address, and telephone number; (2) the number of participants; (3) the reason for attending; and (4) a list of the issues to be discussed. In addition, ten copies of the business proprietary version and seven copies of the nonproprietary version of the pre-hearing briefs must be submitted to the Assistant Secretary by January 26, 1988. Oral presentations will be limited to issues raised in the briefs. In accordance with 19 CFR 355.33(d) and 355.34, written views will be considered if received not less than 30 days before the final determination is due or, if a hearing is held, within seven days after the hearing transcript is available.

This determination is published pursuant to section 703(f) of the Act (19 U.S.C. 1671b(f)).

December 18, 1987.

Gilbert B. Kaplan,

Acting Assistant Secretary for Import Administration.

[FR Doc. 87-29534 Filed 12-23-87 8:45 am]

BILLING CODE 3510-DS-M

[C-469-702]

Preliminary Affirmative Countervailing Duty Determination; Certain Granite Products From Spain

AGENCY: Import Administration, International Trade Administration, Commerce.

ACTION: Notice.

SUMMARY: We preliminarily determine that benefits which constitute subsidies within the meaning of the countervailing duty law are being provided to manufacturers, producers or exporters in Spain of certain granite products as described in the "Scope of Investigation" section of this notice. The estimated net subsidy is 2.51 percent *ad valorem* for all manufacturers, producers or exporters in Spain of certain granite products, except Granitos Ibericos-Grayco, S.A. ("GIG"), and Santal, S.A. ("Santal"), whose estimated net subsidy rates are *de minimis* (less than 0.50 percent).

We have notified the U.S. International Trade Commission (ITC) of our determination. We are directing the U.S. Customs Service to suspend liquidation of all entries of certain granite products from Spain, with the exception of those certain granite products produced and exported by GIG and Santal, that are entered, or withdrawn from warehouse, for consumption on or after the date of publication of this notice and to require a cash deposit or bond on entries of these products in the amount equal to the estimated net subsidy. Although entries produced and exported by GIG and Santal are not subject to the suspension of liquidation, these companies are not excluded from the preliminary determination.

If this investigation proceeds normally, we will make a final determination by March 3, 1988.

EFFECTIVE DATE: December 24, 1987.

FOR FURTHER INFORMATION CONTACT: Loc Nguyen or Barbara Tillman, Office of Investigations, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; telephone: (202) 377-0167 or 377-2438.

SUPPLEMENTARY INFORMATION:

Preliminary Determination

Based on our investigation, we preliminarily determine that there is reason to believe or suspect that benefits which constitute subsidies within the meaning of section 701 of the Tariff Act of 1930, as amended (the Act), are being provided to manufacturers, producers or exporters in Spain of certain granite products. For purposes of this investigation, the following programs are preliminarily found to confer subsidies:

- Short-term loans provided under the Privileged Circuit Export Credits Program
- Grants under the Large Area of Industrial Expansion of Galicia Program (LAIEG)
- Preferential access to official credit under LAIEG
- Certain grants provided by the Basque regional government

We preliminarily determine the estimated net subsidy to be 2.51 percent *ad valorem* for all manufacturers, producers or exporters in Spain of certain granite products, except GIG and Santal.

Case History

Since the last **Federal Register** publication pertaining to this investigation [the Notice of Initiation (52 FR 31652, August 21, 1987)], the following events have occurred. On August 27, 1987, we presented a

questionnaire to the government of Spain in Washington, DC, concerning petitioner's allegations. On October 14, 1987, we received responses from the government of Spain and the following companies: GIG, Artemarmol, S.A. ("Artemarmol"), Ingemar, S.A. ("Ingemar") and Ingemarga, S.A. ("Ingemarga"). These were the only companies the government of Spain identified as producing and exporting the subject merchandise to the United States. We received an additional response from the government on October 27, 1987. On November 6, we received a request for exclusion pursuant to 19 CFR 355.38 and a voluntary response from Modulgranito Iberico, S.A. ("MGI"). On November 18, we notified counsel for MGI that MGI's request for exclusion was not timely pursuant to 19 CFR 355.38 and that the company will, therefore, not be excluded from any countervailing duty order that the Department might issue in this investigation. We further informed counsel for MGI that the Department will not investigate the response submitted by MGI because this newly formed company did not begin exporting the subject merchandise to the United States until mid-1987, which is outside our review period of calendar year 1986. On December 4, 1987, we sent a letter to MGI's counsel to confirm the November 18 notification regarding MGI.

On November 13, 1987, we presented supplementary questionnaires to the government of Spain and the above-referenced companies. In addition, we also requested information from four other companies which we discovered were exporting the subject merchandise to the United States. These companies are Granitos Espanoles, S.A. ("GE"), Marmoles y Granitos de Espana, S.A. ("M&G"), Ramilo, S.A. ("Ramilo") and Santal. On November 25, we received a supplemental response from the Government of Spain. On November 27 and December 1, we received responses from Ramilo and Santal. On November 27, December 2, December 4, December 8, December 11, and December 16, 1987, we received supplemental responses from Artemarmol, GIG, Ingemar, Ingemarga and Ramilo.

Because we have not received responses from GE and M&G, we were unable to include them in the calculations for the preliminary determination. Therefore, for purposes of the preliminary determination, the country-wide rate will apply to these two companies as well. If we receive GE's and M&G's responses by the date of the preliminary determination, we will verify the responses and include them in the calculation of the final determination. If we do not receive their responses by this date, we may have to use best information available, in accordance with section 776(b) of the Act, to calculate a rate for these two companies in the final determination.

On September 23, 1987, the petitioner requested that the preliminary determination be postponed for 21 days. Pursuant to section 703(c)(1)(A) of the Act, we postponed the preliminary determination to no later than November 12, 1987. On November 4, 1987, the petitioner requested that we further postpone the preliminary determination by an additional 36 days. Accordingly, on November 6, 1987, we extended the date of the preliminary determination to December 18, 1987.

Scope of Investigation

The products covered by this investigation are certain granite products from Spain. Certain granite products are ⅜ inch (1 cm) to 2½ inches (6.34 cm) in thickness and include the following: rough sawed granite slabs; face-finished granite slabs; and finished dimensional granite including, but not limited to, building facing, flooring, wall and floor tiles, paving, and crypt fronts. Certain granite products do not include monumental stones, crushed granite, or curbing. Certain granite products are currently classified under *TSUSA* item number 513.74.00 and under #S item numbers 2516.12.00, 6802.23.00 and 6802.93.00.

Analysis of Programs

Throughout this notice, we refer to certain principles applied to the facts of the current investigation. These general principles are described in the "Subsidies Appendix" attached to the notice of *Cold-Rolled Carbon Steel Flat-Rolled Products from Argentina: Final Affirmative Countervailing Duty Determination and Countervailing Duty Order* (49 FR 18006, April 26, 1984).

Consistent with our practice in preliminary determinations, when a response to an allegation denies the existence of a program, receipt of benefits under a program, or eligibility of a company or industry under a program, and the Department has no persuasive evidence showing that the response is incorrect, we accept the response for purposes of the preliminary determination. All such responses, however, are subject to verification. If the response cannot be supported at verification, and a program is otherwise countervailable, it will be considered a subsidy in the final determination.

In doing our subsidy rate computation, we first calculated an overall company-specific rate for each company. We found that, during the review period, two companies, GIG and Santal, had *de minimis* and zero rates, respectively. Therefore, they were not included in the calculation of the country-wide rate. We based our calculation of the country-wide rate on the countervailable benefits and sales of those respondents whose overall company-specific rates are above *de minimis*. Although GIG's and Santal's rates are *de minimis* during the review period, there are indications that these two companies might have received countervailable benefits after the review period but before the preliminary determination. Therefore, we will not exclude them from our preliminary determination. We will verify their responses and will consider whether these companies should be excluded from the final determination.

For purposes of this preliminary determination, the period for which we are measuring subsidization ("the review period") is calendar year 1986. This period coincides with the most recently completed fiscal year of the respondent companies.

Based upon our analysis of the petition and the responses to our questionnaires, we preliminarily determine the following:

I. Programs Preliminarily Determined to Confer Subsidies

We preliminarily determine that subsidies are being provided to manufacturers, producers or exporters in Spain of certain granite products under the following programs:

A. Short-Term Loans Under the Privileged Circuit Export Credits Program

Petitioner alleged that exporters of certain granite products from Spain are benefiting from a system of short-term preferential loans mandated by the government of Spain for exporters. Under this system of "privileged-circuit export credits," at least four types of loans are alleged to be avilable to exporters of certain granite products: (1) Working capital loans, (2) pre-financing of exports, (3) short-term export credits or post-financing of exports, and (4) commercial service loans.

In its response, the government of Spain stated that it required all Spanish commercial banks to maintain a specific percentage of their lendable funds (the "investment coefficient") in privileged-circuit accounts. These funds were made available to exporters at below-market interest rates through a variety of credit programs, including pre-financing and

post-financing of exports and commercial service loans.

Under the terms of a Treasury Order, dated April 14, 1982, the working-capital loan program for exporters was gradually phased out and terminated on January 12, 1986. With respect to the other three types of export financing available under this program, Royal Decree 2254/85 of November 20, 1985, increased interest rates applicable to these loans and is gradually reducing the maximum amount to be financed. The maximum interest rate applicable to these loans is now the average rate paid on Spanish Treasury bills of one year or more in the semester preceding the loan, plus two percentage points. According to the government response, the maximum amount of allowable financing has gradually been decreased, starting on January 1, 1986, by 10 percent at the beginning of each semester until the program is totally eliminated in four-and-a-half years. The maximum amount of allowable financing for short-term export post/financing was reduced to 59 percent of the export value as of July 1, 1987, and to 55.8 percent of the export value for the pre-financng of exports as of the same date. Furthermore, the government of Spain stated that the "investment coefficient," which was the source of the funding for the privileged circuit loans to exporters, was discontinued as of February 28, 1987, by Royal Decree 321/1987 of February 27, 1987.

While there is no direct outlay of government funds, the benefits conferred on the companies are the result of government-mandated program to promote exports. According to the government and company responses, the producers and exporters of granite benefited from three of the four privileged circuit programs available to exporters: the working-capital loan program and the pre-financing and post-financing export programs.

1. *Working capital loans.* Under the privileged circuit programs, firms may obtain working capital loans for one year, although, from the company responses, it appears that the terms may be slightly longer than one year in duration. The amount of loans for which a firm is eligible is based on a specified percentage of its previous year's exports. According to the government response, these loans were no longer available as of January 1, 1986, pursuant to a Treasury Order of April 14,1982. GIG, Ingemar, and Ramilo reported that they had working capital loans outstanding during the review period.

As stated in section I.A. above, although no direct outlay of government funds is used to finance these loans, they are the result of a government-mandated program to promote exports. Because availability of this type of financing is contingent upon exports, we preliminarily determine that it is countervailable to the extent that it is offered at preferential rates.

To determine whether these loans are made at preferential rates, we compared the interest rates charged on working-capital loans with the appropriate benchmark. Because the terms of these loans were a year or longer, we determine that the most appropriate benchmark is the "one to three years" lending rate charged by Spanish private banks as published in the *Boletin Estadistico* of the *Banco de Espana.* This comparison shows that the interest rates on these export loans are below the benchmark. Accordingly, we preliminarily determine this program to be countervailable.

To calculate the benefit, we used our short-term loan methodology and compared the amount of interest actually paid during the review period to the amount the companies would have had to pay under the benchmark. In this case, the government of Spain's response does not indicate that working-capital export loans are tied to specific export transactions. Therefore, for the country-wide rate, we allocated Ingemar and Ramilo's 1986 benefits over the value of exports of those respondent companies whose overall estimated net subsidy rates are above *de minimis* (0.50 percent or above). The country-wide rate for this program is 0.20 percent *ad valorem.* The rate is 0.02 percent *ad valorem* for GIG and zero for Santal.

Although the government response states that the provision of these types of loans was terminated on January 1, 1986, our calculations do not reflect this change. The respondent companies report having working-capital export loans outstanding through 1987, loans which are financing current exports of the subject merchandise from Spain. We will carefuly examine changes in this program during verification.

2. *Pre-financing of exports.* Artemarmol, Ingemar and Ramilo reported that they received pre-financing export loans. According to the government of Spain, the maximum term of these loans is up to six months. Although no direct outlay of government funds is used to finance these loans, they, like the working-capital loans, are the result of a government-mandated program to promote exports. Because availability of this type of financing is contingent upon exports, we preliminarily determine that it is countervailable to the extent that it is offered at preferential rates.

To determine whether these loans were made at preferential rates, we compared the interest rates charged on export pre-financing loans to the appropriate benchmark, which we determine is the "three-month" lending rate charged by Spanish private banks as published in the *Boletin Estadistico* of the *Banco de Espana.* This comparison shows that the interest rates on these export loans are below the benchmark. Accordingly, we preliminarily determine this program to be countervailable.

To calculate the benefit arising from these loans, we used our short-term loan methodology and compared the amount of interest actually paid during the review period to the amount the companies would have had to pay under the benchmark. The government of Spain's response states that pre-financing loans are tired to specific export transactions. Artemarmol did tie each loan to a specific shipment. Ingemar and Ramilo did not. Therefore, as best information available in accordance with section 776(b) of the Act, we allocated the 1986 benefits for Artemarmol, Ingemar and Ramilo over the value of exports of the subject merchandise to the United States of all non-*de minimis* companies to calculate an estimated net subsidy of 1.82 percent *ad valorem.* The rate is zero for GIG and Santal.

Although the government response states that the current rates of interest charged under this program are higher than those charged during the review period and that the "investment coefficient" which was the source of funding for privileged circuit loans to exporters was discontinued as of February 28, 1987, our calculations do not reflect these changes because we do not have complete information concerning the current level of utilization of these loans. We will carefully examine the changes in this program during verification.

3. *Post-financing of exports.* Artemarmol reported that it received post-financing export loans with 120 day terms. Because availability of this type of financing is contingent upon exports, we preliminarily determine that it is countervailable to the extent that it is offered at preferential rates.

To determine whether these loans were made at preferential rates, we compared the interest rates charged on post-financing export loans during the review period to the appropriate benchmark, which we determine is the "three-month" lending rate charged by Spanish private banks as published in the *Boletin Estadistico* of the *Banco de*

Espana. This comparison shows that the interest rates on these export loans are below the benchmark. Accordingly, we preliminarily determine this program to be countervailable.

To calculate the benefit arising from these loans, we used our short-term loan methodology and compared the amount of interest actually paid during the review period to the amount the companies would have had to pay under the benchmark. The loans reported by Artemarmol are tied to specific shipments of the subject merchandise to the United States. For the country-wide rate, we therefore allocated the company's 1986 benefit over the value of exports of the subject merchandise to the United States of all non-*de minimis* companies. The estimated net subsidy in 0.02 percent *ad valorem.* The rate is zero for GIG and Santal.

B. *Regional Investment Incentives*

Petitioner alleged that the granite industry in Spain may have benefited from certain regional investment programs.

1. *Grants under the Large Area of Industrial Expansion of Galicia Program (LAIEG)—Royal Decree 1409/1981.* The government of Spain stated that, through Royal Decree 1409/1981 of June 19, 1981, a program entitled "Large Area of Industrial Expansion of Galicia" was established to award grants or loans for investment in new capital goods and/or for generation of employment to companies in the region of Galicia and in other parts of Spain that plan to invest in Galicia. The government of Spain stated that similar programs are available for other less develop regions in Spain such as Andalusia, Castille-La Mancha, Old Castille and Leon, and Extramadura. There is no indication, however, the these grant programs are available to to all regions of Spain. Nor is these any indication that the programs are the same for all regions in which these programs are available.

Because this program is limited by the central Government of Spain to companies in a specific region (Galicia), we preliminarily determine that this program confers a subsidy. GIG and Ingemarga reported that they received grants under this program.

To calculate the value of the subsidy, we used the grant methodology outlined in the Subsidies Appendix. For grant calculations, we prefer to use as the discount rate a company-specific weighted cost of capital; however, in this case, the government of Spain was unable to give us the national average rate of return on equity. Therefore, we were unable to calculate a company-specific rate. Instead, we are using as the discount rate the national average commercial interest rate for loans of over three years for the year in which the grant was authorized. This rate is published by the *Banco de Espana* in its *Boletin Estadistico.* To calculate the country-wide rate, we allocated Ingemarga's 1986 benefit over total sales of all non-*de minimis* companies to calculate an estimated net subsidy of 0.39 percent *ad valorem.* The rate is 0.43 percent *ad valorem* for GIG and zero for Santal.

2. *Preferential access to official credit under LAIEG—Royal Decree 1409/1981.* Ingemarga reported that it received long-term financing from official lines of credit through the LAIEG program.

Because this program is provided by the central government of Spain to a specific region of Spain (Galicia), we preliminarily determine that this program is limited to a specific enterprise or industry or group of enterprises or industries. To determine whether these loans are given at rates that are inconsistent with commercial considerations, we compared the interest rates to the appropriate benchmark.

For fixed rate long-term loans to creditworthy companies, we prefer to use a company-specific commercial loan rate whenever possible. However, in this case, Ingemarga did not receive comparable commercial long-term credit in the year in which it received the LAIEG loan. Therefore, we used as our benchmark the national average commercial interest rate for loans of "over three years" applying to the year in which the terms of the loan were agreed upon. This rate is published by the *Banco de Espana* in its *Boletin Estadistico.* Because we were unable to obtain the national average rate of return on equity, we used the benchmark interest rate as the discount rate as well.

For the country-wide rate, we allocated Ingemarga's 1986 benefit over total sales of all non-*de minimis* companies to calculate an estimated net subsidy of 0.05 percent *ad valorem.* The rate is zero for GIG and Santal.

3. *Grants provided by the Basque Regional Government—Decree 153/1985.* According to the response of Ingemar, the only company under investigation located in the Basque region, the Basque regional government issued Decree 153 in 1985, which established grants for commercial promotion activities, such as market studies, market survey studies, and establishment or expansion of commercial entities or divisions specializing in promotional activities. The amount of the grant can be up to 20 percent of investment costs in capital goods with a cap of 5,000,000 pesetas and up to 25 percent of operating costs during the initial period, with a cap of two years and 4,000,000 pesatas. The funding for the program is provided by the Basque regional government from its general revenue.

Ingemar stated that all companies located in the Basque region are eligible for benefits under this decree. The decree, however, states that grants are to be used for commercial promotion activities that will contribute to "the exportation of the productive sectors of the Basque country." Since no other purpose except "exportation" is specified in the decree, we preliminarily determine that these grants are provided solely to promote exports and, as such, constitute export subsidies. Ingemar reported that it received a grant under this program to commence commercial activities in the United States and to establish a company in the United States.

To calculate the benefit from this grant, we used the grant methodology detailed in the Subsidies Appendix. Since Ingemar received a grant under this program during the review period, and the amount received was less than 0.50 percent of the value of its exports to the United States for that year, we allocated the entire amount of this grant to the review period.

For the country-wide rate, we allocated the amount of the grant over the value of exports to the United States of all non-*de minimis* companies to calculate an estimated net subsidy for of 0.03 percent *ad valorem.* We allocated the benefit over exports to the United States because the grant was given specifically to establish commercial activities in the United States. The rate is zero for GIG and Santal.

II. Programs Preliminarily Determined Not to Confer a Subsidy

We preliminarily determine that subsidies are not being provided to manufacturers, producers or exporters in Spain of certain granite products under the following programs:

A. *Reduction in Import Duties on Imported Tools and Equipment*

In our initiation, we stated that we would investigate whether the producers and exporters of granite receive countervailable benefits from reduction in import duties. According to the response, as part of Spain's entry into the European Economic Community (EEC), any Spanish manufacturer importing machinery for new investment from an EEC country is entitled to an

exemption of import duties if such machinery is not produced in Spain. These exemptions were authorized by Royal Decree 2386/1985 and are administered by the General Directorate of Customs and the Ministry of Economy and Finance. The decree authorizes tariff suspensions and reductions on investment goods imported from the EEC which are not manufactured in Spain, and which are intended for the modernization or conversion of, among others, the textile, chemical, pharmaceutical, automotive, capital goods, household appliances, foodstuffs, computer technology, electronics, shipbuilding, steel, mining and energy industries. Because this program is not limited to a specific enterprise or industry or group of enterprises or industries, we preliminarily determine that it is not countervailable.

B. *Provincial Grants Provided by the Basque Regional Government*

In our initiation, we stated that we would investigate whether the producers and exporters of granite receive countervailable benefits from cash grants given either by the central government of Spain or by the regional governments. According to Ingemar's response, the Basque regional government and the governments of each of the three Basque provinces administer assistance programs for all companies in the Basque region that make investments in capital goods. Under decree 149/85 the Basque regional government administers grants to "large" companies (more than 750,000,000 pesetas total capital and more than 400 employees) throughout the Basque region. The three provincial governments within the Basque region administer these grants to "small- and medium-size" companies (less than 750,000,000 pesetas total capital and less than 400 employees) within their provinces.

Decree 41/85 of the provincial government of Guipuzcoa applies to the small companies within the province of Guipuzcoa. The decree specifically lists a wide range of sectors and industries that are eligible to receive assistance under this program including chemicals, aviculture, hotels, land transportation, technical investigations, services rendered to companies, recovery of products and other manufacturing industries. Ingemar submitted a chart showing that 329 applicants in 23 sectors and industries including fishing, smelting and iron works, mon-metal minerals, metallurgy, mechanical shops, electronics, machinery, food, textiles, paper, rubber and plastics, construction, repairs, transport, and services were approved for grants in 1985, the year the program went into effect.

Because this program is not limited to a specific enterprise or industry or group of enterprises or industries, we preliminarily determine that it is not countervailable.

C. Interest Rebates on Long-term Loans under Basque Regional Government Programs

Petitioner alleged that producers of the subject merchandise benefit from subsidies in the form of preferential loans, loan terms and loan guarantees. We requested information from each company under investigation on all long-term loans outstanding during the review period. Ingemar and Ingemarga reported long-term loans outstanding during the review period.

According to the responses, none of the companies involved in this investigation received medium or long-term loans on terms inconsistent with commercial considerations. However, Ingemar reported that it did receive reimbursement of a part of the interest it paid on long-term loans under an agreement made between the Basque regional government and the banks in the Basque region. The agreement stated that the program is available to all industries in those regions. The Basque government also provided us with information indicating that over 2,000 companies in a number of industries, including food, chemicals, textiles, paper, electronics and transportation, have received interest rebates under this program. Because these rebates are funded by the Basque regional government and have been provided to a wide range of industries within the Basque region, we preliminarily determine that this program is not limited to a specific enterprise or industry or group of enterprises or industries and, therefore, is not countervailable.

III. Programs Preliminarily Determined Not To Be Used

We preliminarily determine that the following programs were not used by manufacturers, producers or exporters in Spain of certain granite products during the review period:

A. Commercial Service Export Loans under the Privileged Circuit Export Credits Program

Petitioner alleged that exporters of certain granite products from Spain are benefiting from commercial service export loans under the Privileged Circuit Export program which provide for financing for market activities abroad. According to the responses, none of the companies had any such loans outstanding during the review period.

B. Warehouse Construction Loans

Petitioner alleged that the granite industry in Spain receives loans on terms inconsistent with commercial considerations to construct warehouse facilities adjacent to export loading zones. According to the responses, none of the companies have received any such loans.

C. Loans and Loan Guarantees from the Instituto Nacional de Industria (INI)

In our notice of initiation, we stated that we would investigate whether the producers and exporters of granite receive countervailable benefits under the loan and loan guarantee programs administered by the INI. According to the responses, none of the companies have received any such loans or loan guarantees.

D. Other Regional Investment Incentives

In our notice of initiation, we stated that we would investigate whether the producers and exporters of granite receive countervailable benefits under other regional investment incentives such as:

1. Reduction in import duties on imported tools and equipment. According to the responses, the only reduction and/or exemption in import duties which the companies received was that provided for in the program dealing with imports coming in from the EEC (see section II.A. above).

2. Reduction in taxes. According to the responses, none of the respondents receive any regional reduction in taxes.

3. Free or inexpensive land. According to the responses, none of the respondents have acquired free or inexpensive land as a result of any government-mandated program.

E. Grants from the Regional Board of the Province of Alava

According to the responses, none of the respondents are located in the Province of Alava; therefore, they are not eligible for benefits provided under this program.

IV. Programs for Which Additional Information is Needed

We preliminarily determine that we need additional information in order to determine whether the following programs confer subsidies on the manufacture, production or exportation of certain granite products from Spain.

A. Grants Provided by the Galician Ministry of Industry, Energy and Commerce—Decree 107/1984

According to the responses, GIG, Ingemar and Ingemarga received grants under Decree 107/1984 of the regional government of Galicia, which established financial support measures for companies that research in or exploit mineral resources throughout Galicia. The funding for this program is from the general budget of Galicia and not from the central government of Spain. We have not been provided with any information as to the extent of Galicia's mining sector, nor do we have any information to indicate whether this program covers Galicia's mining sector as a whole or whether it is limited to specific industries within the mining sector. Therefore, we will seek further information on this program prior to and at verification in order to make a decision on whether this program is countervailable in our final determination.

B. Grants Provided by the Basque Regional Government—Decree 146/1985

Ingemar responded that it received a grant from the Basque regional government under Decree 146/1985 for the generation of employment. The goal of this program is to facilitate the generation of employment in the Basque country in order to resolve social needs, provide access to the job market, provide job training, create jobs and reduce unemployment. Funding for this program comes from the Basque regional government's general budget. According to the decree, any company within the Basque region is eligible to receive grants under this program as long as it has a net increase in the number of its staff. However, we have not received any information on the types of industries within the Basque region which have actually received benefits under this program nor on the extent to which the government may exercise discretion in selecting such industries. Therefore, we will seek further information prior to and at verification in order to make a decision on whether this program is limited to a specific enterprise or industry or group of enterprises or industries in the final determination.

C. Interest Rebates on Long-Term Loans Provided by the Regional Government of Galicia

In its response, GIG reported that it received interest rebates on long-term loans under an agreement made between the Galician regional government and the banks in Galicia. The agreement stated that all small and medium-sized companies in Galicia are eligible to receive rebates under these agreements; however, we have not received any information on the types of industries which actually have received these rebates nor on the extent to which the government may exercise discretion in selecting such industries. Therefore, we will seek further information on this program prior to and at verification in order to make a decision on whether this program is countervailable in the final determination.

Verification

In accordance with section 776(a) of the Act, we will verify the information used in making our final determination.

Suspension of Liquidation

In accordance with section 703(d) of the Act, we are directing the U.S. Customs Service to suspend liquidation of all entries of certain granite products from Spain, with the exception of those certain granite products produced and exported by GIG and Santal, which are entered, or withdrawn from warehouse, for consumption on or after the date of publication of this notice in the **Federal Register** and to require a cash deposit or bond for each such entry of this merchandise equal to 2.51 percent *ad valorem*. Although entries produced and exported by GIG and Santal are not subject to the suspension of liquidation, these companies are not excluded from the preliminary determination. This suspension will remain in effect until further notice.

ITC Notification

In accordance with section 703(f) of the Act, we will notify the ITC of our determination. In addition, we are making available to the ITC all nonprivileged and nonproprietary information relating to this investigation. We will allow the ITC access to all privileged and business proprietary information in our files, provided the ITC confirms that it will not disclose such information, either publicly or under an administrative protective order, without the written consent of the Assistant Secretary for Import Administration.

If our final determination is affirmative, the ITC will determine whether these imports materially injure, or threaten material injury to, a U.S. industry within 120 days after the Department makes its preliminary affirmative determination, or 45 days after the Department makes its final determination, whichever is later.

Public Comment

In accordance with 19 CFR 355.35, we will hold a public hearing, if requested, to afford interested parties an opportunity to comment on this preliminary determination on February 2, 1988, at 10:00 a.m. at the U.S. Department of Commerce, Room 3708, 14th Street and Constitution Avenue NW., Washington, DC 20230. Individuals who wish to participate in the hearing must submit a request to the Assistant Secretary for Import Administration, Room B-099, at the above address within ten days of the publication of this notice in the **Federal Register.**

Requests should contain: (1) The party's name, address, and telephone number; (2) the number of participants; (3) the reason for attending; and (4) a list of the issues to be discussed. In addition, ten copies of the business proprietary version and seven copies of the nonproprietary version of the pre-hearing briefs must be submitted to the Assistant Secretary by January 26, 1987. Oral presentations will be limited to issues raised in the briefs. In accordance with 19 CFR 355.33(d) and 355.34, written views will be considered if received not less than 30 days before the final determination is due or, if a hearing is held, within seven days after the hearing transcript is available.

This determination is published pursuant to section 703(f) of the Act (19 U.S.C. 1671b(f)).

December 18, 1987.

Gilbert B. Kaplan,

Acting Assistant Secretary for Import Administration.

[FR Doc. 87-29535 Filed 12-23-87; 8:45 am]

BILLING CODE 3510-DS-M

[Docket Nos. 7111-01 and 7111-02]

Actions Affecting Export Privileges; Dieter Enderlein et al.

Summary

Pursuant to § 388.8 of the Export Administration Regulations, 15 CFR Parts 368 through 399 (1987), Dieter Enderlein, individually and doing business as Elmont International, also known as Elmont AG, both with an address at Hauptstrasse 23, CH-8280 Kreuzlingen, Switzerland, is hereby denied all export privileges for an indefinite period from the date of this Order.

Order

On November 17, 1987, the Administrative Law Judge (ALJ) issued his Recommended Decision and Order

in the above referenced matter. The Recommended Decision and Order was referred to me pursuant to the Export Administration Act of 1985, 50 U.S.C. App. 2412, Pub. L. 99–64, 99 Stat. 120 (July 12, 1985) and 15 CFR 388.17(a), for final action.

Having examined the record and based on the facts adduced in this case, I affirm the Recommended Decision and Order of the ALJ.

Date: December 17, 1987.

Paul Freedenberg,

Acting Under Secretary for Export Administration.

In the matter of Dieter Enderlein, individually and doing business as Elmont International, a/k/a Elmont AG, Respondent, Docket Numbers 7111–01 and 7111–02.

Appearance for Respondents: Dr. Jost Gross, RA, Gross, Linder und Frischknecht, Poststrasse 18, CH–9000 St. Gallen, Switzerland.

Appearance for Agency: Thomas C. Barbour, Esq., Attorney-Advisor, Office of the Deputy Chief Counsel for Export Administration, U.S. Department of Commerce, Room H–3329, Washington, DC 20230.

Default Decision and Order

An administrative proceeding was initiated against Dieter Enderlein, individually and doing business as Elmont International, also known as Elmont AG (hereinafter "Respondents"), pursuant to section 13(c) of the Export Administration Act of 1979 (50 U.S.C.A. app. 2401–2420), as amended by the Export Administration Amendments Act of 1985, Pub.L. 99–64, 99 Stat. 120 (July 12, 1985)) (the Act), and the Export Administration Regulations (currently codified at 15 CFR Parts 368–399 (1987)), (the Regulations). The Office of Export Administration issued a charging letter on June 30, 1987, alleging that Respondents violated §§ 387.4, 387.5, and 387.6 of the Regulations.

The Respondents submitted a letter, dated August 27, 1987, written in German, to the Department, which was received by the Office of Export Enforcement on September 10, 1987.[1] On September 11, 1987 Agency counsel transmitted a copy to this Tribunal and requested that the Administrative Law Judge order the Respondents to file an answer in compliance with the Regulations, particularly § 388.7(d), which calls for the answer and all other documentary evidence to be submitted in English or have translations into English filed simultaneously. On September 18, 1987 an Order was issued by the undersigned granting the Agency's motion and extending the period of time for the Respondents' answer to October 8, 1987. On October 14, 1987, another filing was received from the Respondents' counsel in Germany. It was written in German and was not accompanied by a translation. On October 15, 1987, the undersigned issued an Order finding that this letter did not constitute an answer or a timely filing pursuant to the Regulations, and finding the Respondents in default.

Section 388.8 of the Regulations provides:

DEFAULT

(a) General

If a timely answer is not filed, the Department shall file with the administrative law judge a proposed order together with supporting evidence for the allegations in the charging letter. The administrative law judge may require further submissions and shall issue any order he deems justified by the evidence of record. Any order so issued shall have the same force and effect as an order issued following the disposition of contested charges.

In accordance with this section, and as directed by the October 15, 1987 Order of the Administrative Law Judge, Agency counsel filed such a motion for a default order on November 5, 1987. The Agency also submitted documentary evidence to support the allegations made in the charging letter. Based on the record before me I make the following findings of fact:

On four separate occasions, December 27, 1981, April 30, 1982, May 26, 1982, and October 7, 1983, Respondents reexported or caused to be reexported, from Switzerland to the Union of Soviet Socialist Republics (U.S.S.R.), U.S.-origin computers and computer parts without the report authorization from the Department which Respondents knew or had reason to know was required by § 374.1 of the Regulations, in violation of §§ 387.4 and 387.6 of the Regulations.

On or about February 22, 1982 and March 16, 1982, Respondents ordered U.S.-origin computers and computer parts from MLPI Business Systems, Inc. (MLPI-Canada) of Quebec, Canada, allegedly for an end-user in the Federal Republic of Germany. When Respondents ordered those goods they knew that the goods were intended to be reexported from the Federal Republic of Germany through Switzerland to the U.S.S.R. without the reexport authorization from the Department required by § 374.1 of the Regulations. In doing do, Respondents violated § 387.4 of the Regulations.

On or about June 30, 1982, the U.S.-origin computers and computer parts which Respondents ordered from MLPI-Canada were exported from the United States through Canada to the Federal Republic of Germany. In connection with that Export, Respondents made a false and misleading statement of material fact on the Shipper's export Declaration (SED) submitted on behalf of the exporter to the U.S. Customs Service (Customs). Based on information provided by Respondents to MLPI-Canada, the SED for that shipment stated that the end-user for the equipment was in the Federal Republic of Germany. In fact, as Respondents well knew, the intended end-user for that equipment was located in the U.S.S.R. By making a false and misleading statement of material fact to Customs in order to effect an export from the United States, Respondents violated § 387.5 of the Regulations.

Based on the foregoing, I find that the Respondents committed six violations of § 387.4 of the regulations, one violation of § 387.5 of the Regulations, and four violations of § 387.6 of the Regulations, for a total of eleven violations as alleged in the charging letter of June , 1987. Each of these violations involves U.S.-origin goods controlled under section 5 of the Act for national security reasons.

I find that an Order denying export privileges to the Respondents for an indefinite period from the date of the final order entered in this proceeding is reasonably necessary to protect the public interest and to achieve effective enforcement of the Export Administration Act, and the Regulations.

Accordingly, pursuant to the authority delegated to me by Part 388 of the Regulations, it is therefore:

Ordered

I. For an indefinite period of time,

Respondents:
Dieter Enderlien,
individually and doing business as
Elmont International,
a/k/a Elmont AG,
Hauptstrasse 23,
CH–8280 Kreuzlingen,
Switzerland

and all successors, or assignees, officers, partners, representatives, agents, and employees hereby are denied all privileges of participating, directly or indirectly, in any manner or capacity, in any transaction involving commodities or technical data exported from the United States in whole or in part, or to be exported, or that are otherwise subject to the Regulations.

II. Participation prohibited in any transaction, either in the United States or abroad, shall include, but not be limited to, participation:

[1] While the nature of the document is not determined, based on an informal interpretation by the Agency, it appears to relate to the Charging Letter of June 30, 1987.

(i) As a party or as a representative of a party to a validated export license application;

(ii) In preparing or filing any export license application or reexport authorization, or any document to be submitted therewith;

(iii) In obtaining or using any validated or general export license or other export control document;

(iv) In carrying on negotiations with respect to, or in receiving, ordering, buying, selling, delivering, storing, using, or disposing of, in whole or in part, any commodities or technical data exported from the United States, or to be exported; and

(v) In the financing, forwarding, transporting, or other servicing of such commodities or technical data.

Such denial of export privileges shall extend to matters which are subject to the Act and the Regulations.

III. After notice and opportunity for comment, such denial of export privileges may be made applicable to any person, firm, corporation, or business organization with which the Respondent is now or hereafter may be related by affiliation, ownership, control, position of responsibility, or other connection in the conduct of export trade or related services.

IV. All outstanding individual validated export licenses in which the Respondents appear or participates, in any manner or capacity, are hereby revoked and shall be returned forthwith to the Office of Export Licensing for cancellation. Further, all of Respondents' privileges of participating, in any manner or capacity, in any special licensing procedure, including, but not limited to, distribution licenses, are hereby revoked.

V. No person, firm, corporation, partnership, or other business organization, whether in the United States or elsewhere, without prior disclosure and specific authorization from the Office of Export Licensing, shall, with respect to U.S.-origin commodities and technical data, do any of the following act, directly or indirectly, or carry on negotiations with respect thereto, in any manner or capacity, on behalf of or in any association with any Respondent or any related person, or whereby any Respondent or related person may obtain any benefit therefrom or have any interest or participation therein, directly or indirectly:

(i) Apply for, obtain, transfer, or use any license, Shipper's Export Declaration, bill of lading, or other export control document relating to any export, reexport, transshipment, or diversion of any commodity or technical data exported in whole or in part, or to be exported by, to, or for any Respondent or related party denied export privileges, or

(ii) Order, buy, receive, use, sell, deliver, store, dispose of, forward, transport, finance or otherwise service or participate in any export, reexport, transshipment or diversion of any commodity or technical data exported or to be exported from the United States.

VI. This Order, as affirmed or modified, shall become effective upon entry of the Secretary's final action in this proceeding pursuant to the Act (50 U.S.C.A. app. 2412(c)(1)).

Date: November 17, 1987.

Hugh J. Dolan,

Administrative Law Judge.

[FR Doc. 87-29477 Filed 12-23-87; 8:45 am]

BILLING CODE 3510-DT-M

National Bureau of Standards

National Voluntary Laboratory Accreditation Program

AGENCY: National Bureau of Standards, Commerce.

ACTION: Notice of public workshop.

SUMMARY: The National Bureau of Standards will host a public workshop on March 22, 1988 to provide interested parties an opportunity to participate in the development of the scope of accreditation for laboratories that perform plumbing fixtures equipment testing.

DATES: The workship will be held on March 22, 1988 from 9:00 a.m. to 4:00 p.m. In order to receive draft material prior to the meeting and to indicate plans to attend the meeting call no later than March 4, 1988.

PLACE: The workshop will be held at the National Bureau of Standards, Lecture Room A340 Metrology Building No. 220, Gaithersburg, Maryland.

FOR FURTHER INFORMATION CONTACT: Lawrence Galowin, Senior Project Leader, Laboratory Accreditation, National Bureau of Standards, Room A527 Administration, Gaithersburg, MD 20899; (301) 975-4022.

SUPPLEMENTARY INFORMATION: On March 13, 1987 the National Bureau of Standards (NBS) received a request from the California Energy Commission to establish a laboratory accreditation program under the Procedures of the National Voluntary Laboratory Accreditation Program (NVLAP), for laboratories that test flow rates of plumbing fixtures and/or fittings based on American National Standards Institute (ANSI) A112.18.1. On May 18, 1987 NBS published a Federal Register notice (52 FR 18592) requesting comments from interested parties on the proposed accreditation program. Based on submitted comments, the NBS Director, on September 22, 1987, determined that there is a need to establish the accreditation program and approved its development.

Responses from the New York State Department of Environmental Conservation and the State of Florida Department of Community Affairs proposed broadening the scope of the program to include test methods pertaining to water conservation, in addition to the energy conservation test method in the original request. ANSI Standard A112.19.2M-1983 testing procedures for water closet and urinal wate consumption will be included in the expanded scope to fulfill requirements for water conservation. (It is anticipated that the hydraulic test methods in the nearly completed draft ANSI A112.19.6 standard, which replaces those items in the 19.2 standard, will be approved in time for application to the program.)

The following plans for the workshop have been established:

1. *Purpose:* The workshop will provide all interested persons with an opportunity to (1) discuss the applicability of specific test procedures from ANSI A112.18.1 and 19.2 or 19.6 to the program, (2) participate in the development of the scope of the accreditation to be offered to laboratories that perform plumbing fixture fittings testing, and (3) review and participate in establishing technical criteria, requirements and procedures for evaluation and accreditation of laboratories found competent to perform the test methods.

2. *Procedure:* The workshop will be an informal nonadversarial meeting. The presiding NBS chairperson will allocate the time available for discussion of each issue to be addressed, and exercise such authority as may be necessary to insure the equitable and efficient conduct of the workshop and to proceed in an orderly manner.

3. *Provisions:* This workshop will be open to the public.

Documents in Public Record: Summary minutes of the meeting will be prepared and made available for inspection and copying in the NVLAP program office, Room A527

Administration Building, Gaithersburg, Maryland.

Ernest Ambler,

Director.

Date: December 17, 1987.

[FR Doc. 87-29514 Filed 12-23-87; 8:45 am]

BILLING CODE 3510-13-M

National Oceanic and Atmospheric Administration

Mid-Atlantic Fishery Management Council; Public Hearings

AGENCY: National Marine Fisheries Service (NMFS), NOAA, Commerce.

ACTION: Notice of public hearings and request for comments.

SUMMARY: The Mid-Atlantic Fishery Management Council (Council) will hold public hearings to allow for input to the Fishery Management Plan for the Summer Flounder Fishery (FMP).

DATES: See "**SUPPLEMENTARY INFORMATION**" for dates and locations of the hearings. All hearings will begin at 7:00 p.m. and will be tape recorded with the tapes filed as the official transcript of the hearing. Written comments will be accepted until February 19, 1988.

ADDRESS: Send comments to John C. Bryson, Executive Director, Mid-Atlantic Fishery Management Council, Room 2115, Federal Building, 300 South New Street, Dover, DE 19901.

FOR FURTHER INFORMATION CONTACT: John C. Bryson, 302-674-2331.

SUPPLEMENTARY INFORMATION: This FMP will provide management for the summer flounder (*Paralichthys dentatus*) fishery. The management unit is summer flounder in U.S. waters in the western Atlantic Ocean from North Carolina northward. The objectives of the FMP are to (1) reduce fishing morality on immature summer flounder; (2) increase the yield from the fishery; (3) promote compatible State and Federal management regulations between the Territorial Sea and the EEZ; and (4) minimize regulations for achieving the management objectives recognized above.

The FMP is being developed jointly by the Atlantic States Marine Fisheries Commission, the States, and the Council. Some measures in this FMP, such as the mesh size and minimum fish size, support current State regulations. Mesh size is scheduled to increase in two years to a larger 5" minimum mesh size, and to a 14" minimum fish size and a 5.5" minimum mesh size if the biological/fishery indicators continue to show stock declines. The FMP also provides that a vessel holding a Federal permit will fish under the more stringent of Federal or State rules. It is critical to the success of the FMP that the States be given time to allow them to adjust their regulations to those of the FMP.

The Council requests public comments on the following management measures:

1. It would be illegal to possess summer flounder or parts thereof less than 13" total length.

2. It would be illegal to land summer flounder less than 14" total length north of the line connecting the points 40 degrees 31'N. latitude, 73 degrees 58.5'W. longitude and 40 degrees 23'N. latitude, 73 degrees 43'W. longitude and extending seaward to the boundary of the EEZ. There would be no minimum mesh size north of the line.

3. Vessels south of the line specified above would be required to use a 4.5" minimum net mesh size for trips possessing 500 pounds or more of summer flounder.

4. The 4.5" minimum mesh size south of the line specified above would increase to 5" two years after implementation of the FMP.

5. In all cases, the minimum net mesh size would apply to finfish otter trawl vessels with trips landing 500 pounds or more of summer flounder. After 500 pounds of summer flounder have been retained, only nets of the legal size would be allowed on deck and in use. In no case does the minimum mesh provision apply to nets with a mesh equal to or greater than 16" in the body and/or wings of the net.

6. Vessels with permits issued under this FMP would be required to fish and land under the provisions of this FMP unless the vessels land in States with larger minimum fish sizes or larger minimum net mesh sizes than those provided in the FMP. Under these circumstances, the vessel would be required to meet the State limits for the minimum fish sizes or minimum net mesh sizes.

7. Foreign fishermen would not be permitted to retain summer flounder, since U.S. fishermen, by definition, would be harvesting the optimum yield.

8. Vessels fishing commercially for summer flounder, either directly or as a bycatch in other fisheries, and vessels for hire in the recreational fishery (party and charter boats) would be required to obtain annually renewable permits.

9. State with minimum sizes and minimum mesh regulations larger than those in the FMP are encouraged to maintain them.

10. After years of FMP implementation, the Council would examine certain criteria to measure the effectiveness of the size and mesh limits relative to the FMP's objectives. If (1) the summer flounder stock continues to decline, (2) the Council finds that the adjustment criteria have been met, and (3) the Director, Northeast Region concurs with the Council, then the minimum fish length would be increased to 14" total length; and the minimum net mesh size would be increased to 5.5"; eliminating the line specified above from the management regime.

The size increases would be imposed if both the primary and a secondary indicator demonstrate continued stock decreases.

Other Public Hearing Issues

The Council Seeks comments on three other issues related to these management measures.

1. *Penalities or Penalty schedule.* The provision that allows multiple nets on board a vessel and in use until the 500 pounds of summer flounder criterion is met creates a need for a at-sea enforcement. It is necessary to establish a rigorous penalty shedule, in that if there is a relatively low probability of detection of an offense, then the known penalty for those detected must provide an adequate deterrent.

2. *Discard mortality.* Management alternatives assume that all fish discarded in the trawl fishery die. However, the Council has received comments that discard mortality may be less than 100 percent.

3. *Amount of unregulated catch.* The preferred alternative specifies 500 pounds of summer flounder as the minimum for a trip for which the minimum net mesh size applies.

The dates and locations of the public hearings are as follows:

January 11, 1988—Skipper Motor Inn, Route 6, Fairhaven, Ma

January 11, 1988—Carteret Community College, Joselyn Auditorium, 3505 Arendell Street, Morehead City, NC.

January 12, 1988—Dutch Inn, Great Island Road, Galilee, RI

January 12, 1988—NC Aquarium, Airport Road, Roanoke Island Manteo, NC

January 13, 1988—Holiday Inn Riverhead, Exit 72, LI Expressway & Rt. 25, Riverhead, LI, NY

January 13, 1988—Quality Inn Lake Wright, Virginia Rm., 6280 Northampton Blvd., Norfolk, VA

January 14, 1988—Holiday Inn of Rockville Center, 173 Sunrise Highway, Rockville Center, LI, NY

January 14, 1988—Dept. of Legislative Reference Bldge., 90 State Circle (Joint Hearing Room, Mall Entr.), Annapolis, MD

January 15, 1988—Cannon Bldg., Room 104, College of Marine Studies, University of Deleware, Lewes, DE

January 27, 1988—Cape May Extension Office, Dennisville Road, Cape May Court House, NJ

January 28, 1988—Wall Township Fire Hall, West Atlantic Avenue at Rt. 34, Wall, NJ

(16 U.S.C. 1801 et seq.)

Dated: December 21, 1987

Richard H. Schaefer,

Acting Direction, Office of Fisheries Conservation and Management, National Marine Fisheries Service.

[FR Doc. 87-29552 Filed 12-23-87 8:45]

BILLING CODE 3510-22-M

National Oceanic and Atmospheric Administration

Marine Mammals; Issuance of Permit: Dolfinarium Brugge (P399)

On July 28, 1987, notice was published in the **Federal Register** (52 FR 28782) that an application had been filed by Dolfinarium Brugge, A. De Baechestraat 12, B-8200 Brugge, St. Michiels, Belguim to export Atlantic bottlenose dolphins (*Tursiops truncatus*) from Florida for public display.

Notice is hereby given that on December 18, 1987, as authorized by the provisions of the Marine Mammal Protection Act of 1972 (16 U.S.C. 1361-1407), the National Marine Fisheries Service issued a Permit for the above taking subject to certain conditions set forth therein.

The Permit is available for review by interested persons in the following offices:

Office of Protected Species and Habitat Conservation, National Marine Fisheries Service, 1825 Connecticut Avenue NW., Room 805, Washington, DC, and

Director, Southeast Region, National Marine Fisheries Service, 9450 Koger Boulevard, St. Petersburg, FL 33702.

Date: December 18, 1987.

Nancy Foster,

Director, Office of Protected Resources and Habitat Programs.

[FR Doc. 87-29522 Filed 12-22-87; 8:45 am]

BILLING CODE 3510-33-M

Marine Mammals; Issuance of Permit; Miami Seaquarium (P35F)

On October 29, 1987, notice was published in the **Federal Register** (52 FR 41612) that an application had been filed by Miami Seaquarium, 4400 Rickenbacker Causeway, Miami, Florida 33149 to import four Pacific bottlenose dolphins (*Tursiops truncatus*), four false killer whales (*Pseudorca crassidens*), four Pacific white-sided dolphins (*Lagenorhynchus obliquidens*), and four Risso's dolphins (*Grampus griseus*) for public display.

Notice is hereby given that on December 18, 1987, as authorized by the provisions of the Marine Mammal Protection Act of 1972 (16 U.S.C. 1361-1407), the National Marine Fisheries Service issued a Permit for the above taking subject to certain conditions set forth therein.

The Permit is available for review by interested persons in the following offices:

Office of Protected Resources and Habitat Programs, National Marine Fishers Service, 1825 Connecticut Avenue NW., Rm. 805, Washington, DC;

Director, Southeast Region, National Marine Fisheries Service, 9450 Koger Boulevard, St. Petersburg, Florida 33702.

Date: December 18, 1987.

Nancy Foster,

Director, Office of Protected Resources and Habitat Programs, National Marine Fisheries Service.

[FR Doc. 87-29523 Filed 12-23-87; 8:45 am]

BILLING CODE 3510-22-M

National Technical Information Service

Government-owned Inventions; Availability for Licensing

The inventions listed below are owned by agencies of the U.S. Government and are available for licensing in the U.S. in accordance with 35 U.S.C. 207 to achieve expeditious commercialization of results of federally funded research and development. Foreign patents are filed on selected inventions to extend market coverage for U.S. companies and may also be available for licensing.

Technical and licensing information on specific inventions may be obtained by writing to:

Office of Federal Patent Licensing, U.S. Department of Commerce, P.O. Box 1423, Springfield, Virginia 22151.

Please cite the number and title of inventions of interest.

Douglas J. Campion,

Associate Director, Office of Federal Patent Licensing, National Technical Information Service, U.S. Department of Commerce.

Department of Health and Human Services

SN-6-698,588; Method for Detecting HTLV-III Neutralizaing Antibodies in Sera

SN 6-705,708; Detection of Human T-Cell Leukemia Virus Type III

SN 6-737,458; Competitive ELISA for the Detection of Antibodies

SN 6-779,431; HTLV-III/LAV Synthetic Peptide

SN 6-780,925; Trans-Activating Factor of HTLV-III/LAV

SN 6-795,559; AIDS Virus Gene Expression

SN 6-813,069; Plasmid and Phage Clones of Human T-Cell Lymphotropic Virus Type III

SN 6-824,783; SOR Gene Product From Human T-Cell Lymphotropic Virus III

SN 6-829,517; Plasmids Which Inhibit Human T-Cell Lymphotropic Virus Type III Republication

SN 6-833,072; Competitive ELISA for the Detection of Antibodies

SN 6-849,059; Cell Line Producing Viral Antigens Without Producing Infectious Virus Particles

SN 6-849,298; Recombinant Vaccinia Virus Expressing Human Retrovirus Gene

SN 6-852,531; Non-Cytopathic Clone of Human T-Cell Leukemia Virus Type III

SN 6-874,913; HTLV-III Envelope Peptides

SN 7-032,115; Packaging Defective Recombinant Mutants of HTLV-III

SN 7-095,837; Non-Infectious Mutant Clone of HIV

SN 7-095,838; Cloned HIV-DNA and Kit for Detecting HIV

SN 7-114,508; Immortalized Human Cell Lines

[FR Doc. 87-29437 Filed 12-23-87; 8:45 am]

BILLING CODE 3510-04-M

COMMISSION ON EDUCATION OF THE DEAF

Educational Programs for the Deaf; Meetings

AGENCY: Commission on Education of the Deaf.

ACTION: Notice of meetings.

SUMMARY: Pursuant to Pub. L. 92-463, notice is hereby given of forthcoming meetings of the Commission on Education of the Deaf and its Committees. The purposes of the Commission and Committee meetings are to review the rough draft of the Commission's final Report, to approve it for publication, and to develop final recommendations on LRE, FAPE, and other topics. These meetings will be open to the public.

DATES: January 4, 8:30 a.m. to 5:00 p.m.; January 5, 8:30 a.m. to 5:00 p.m.; and January 6, 8:30 a.m. to 3:00 p.m.

ADDRESS: All meetings will be held in the Holiday Inn-Capitol, 550 C Street SW., Washington, DC. On Monday morning, the Executive Committee will meet in the Columbia A Room. From 10:00 a.m. to 5:00 p.m. Monday, the Precollege and Postsecondary Committees will meet in the Gemini and Columbia A Rooms, respectively. On Tuesday, the joint Committee will meet from 8:30 a.m. to 12:00 noon in the Columbia A Room. That afternoon, the Precollege and Postsecondary Committees will hold working sessions in the Gemini and Columbia A Rooms, respectively. Wednesday, the Joint Committee will meet from 8:30 a.m. to 12:00 noon in the Columbia A Room. That afternoon, the full Commission will meet from 1:00 to 3:00 in the Columbia A Room.

FOR FURTHER INFORMATION CONTACT: Monica Hawkins, Commission on Education of the Deaf, GSA Regional Office Building, Room 6646, 7th and D Streets SW., Washington, DC 20407. [202] 453–4353 (TDD) or [202] 453–4684 (Voice). These are not toll-free numbers.

SUPPLEMENTARY INFORMATION: The Executive Committee will meet Monday, January 4, from 8:30 a.m. to 10:00 a.m. to receive reports, and to discuss activities of the Commission between February 4th and May 4th, and the date of official presentation of the Report. The remainder of the Committee meetings are working sessions at which the draft of the Final Report will be reviewed. The full Commission will meet January 6 from 1:00 p.m. to 3:00 p.m. to receive reports and to approve the final recommendations and final Report.

The proposed agenda for the Commission meeting on January 6 includes the following:

I. Approval of minutes.
II. Reports
  Chairperson's Report
  Vice Chairperson's Report
  Executive Committee Chairperson's Report
  Precollege Committee Chairperson's Report
  Postsecondary Committee Chairperson's Report
  Staff Director's Report
III. New Business
IV. Adjournment

These meetings will be open to the public. Interpreters and captioning will be provided. If you need audio-loop systems or other special accommodations, please contact Monica Hawkins at [202] 453–4353 (TDD) or [202] 453–4684 (Voice) no later than December 28th, 1987, 5:00 p.m. E.S.T. These are not toll-free numbers.

Records will be kept of the proceedings and will be available for public inspection at the office of the Commission on Education of the Deaf, GSA Regional Office Building, Room 6646, 7th and D Streets SW., Washington DC.

Pat Johanson,

Staff Director.

[FR Doc. 87–22501 Filed 12–23–87; 8:45 am]

BILLING CODE 6820-SD-M

DEPARTMENT OF DEFENSE

Department of the Navy

Intent To Prepare a Draft Environmental Impact Statement for Electronic Installations on Tinian, Commonwealth of the Northern Mariana Islands and on Guam, Mariana Islands

Pursuant to regulations implementing the procedural provisions of the National Environmental Policy Act and the requirements of Executive Order 12372, Intergovernmental Review of Federal Programs, the Navy announces its intention to prepare a Draft Environmental Impact Statement (DEIS) for the construction of Electronic Installations on Tinian, Commonwealth of the Northern Mariana Islands (CNMI) and on Guam, Mariana Islands (MI). The proposed action would construct and operate antenna arrays, ground screens, and support facilities for radar operations necessary for the national defense.

An Environmental Assessment (EA) on Electronic Installations at Tinian and Guam was prepared in June 1987 and submitted for review to federal agencies, Government of Guam agencies, Commonwealth of the Northern Mariana Islands agencies, and environmental organizations. Several briefing meetings were held on Guam and Saipan prior to distribution of the EA for review. It is in response to substantive concerns raised by agencies and the public that the Navy has made the decision to prepare a DEIS in order to allow full public interaction with the proposed action. In addition, Navy will hold formal scoping meetings on Guam, Tinian, and Saipan to receive commonts from concerned agencies and individuals. Letters of notification for the scoping meetings will be distributed as soon as places and dates are established.

Pursuant to the requirements of the Endangered Species Act, the Navy has entered into consulation with the U.S. Fish and Wildlife Service (FWS). The FWS has responded to the consultation with a report finding of "No Jeopardy" for the proposed action and has recommended several conservation measures which the Navy now has under consideration. These concerns will be addressed in the DEIS. Additional information to be included pertains to public access, electromagnetic interference, radiation analysis, and alternative site considerations.

Local and regional concerns will be carefully considered in the preparation of the DEIS. Scoping comments should be forwarded to: Commanding Officer, Pacific Division, Naval Facilities Engineering Command, Pearl Harbor, Hawaii 96860–7300, ATTN: CODE 09P.

If further assistance is required in regard to the Notice of Intent, please contact CDR E.C. Rushing, Jr., Head, Facilities Planning Department at (808) 471–3088.

Date: December 21, 1987.

Jane M. Virga,

Lt. JAGC, USNR, Alternate Federal Register Liaison Officer.

[FR Doc. 87–29505 Filed 12–23–87; 8:45 am]

BILLING CODE 8510-AE-M

DEPARTMENT OF EDUCATION

Proposed Information Collection Requests

AGENCY: Department of Education.

ACTION: Notice of proposed information collection requests.

SUMMARY: The Director, Information Technology Services, invites comments on the proposed information collection requests as required by the Paperwork Reduction Act of 1980.

DATE: Interested persons are invited to submit comments on or before January 25, 1988.

ADDRESSES: Written comments should be addressed to the Office of Information and Regulatory Affairs, Attention: Desk Officer, Department of Education, Office of Management and Budget, 726 Jackson Place, NW., Room 3208, New Executive Office Building, Washington, DC 20503. Requests for copies of the proposed information collection requests should be addressed to Margaret B. Webster, Department of Education, 400 Maryland Avenue SW., Room 5624, Regional Office Building 3, Washington, DC 20202.

FOR FURTHER INFORMATION CONTACT: Margaret B. Webster, (202) 732–3915.

SUPPLEMENTARY INFORMATION: Section 3517 of the Paperwork Reduction Act of 1980 (44 U.S.C. Chapter 35) requires that the Office of Management and Budget (OMB) provide interested Federal agencies and the public an early opportunity to comment on information collection requests. OMB may amend or waive the requirement for public consultation to the extent that public participation in the approval process would defeat the purpose of the information collection, violate State or Federal law, or substantially interfere with any agency's ability to perform its statutory obligations.

The Director, Information Technology Services, publishes this notice containing proposed information collection requests prior to submission of these requests to OMB. Each proposed information collection, grouped by office, contains the following: (1) Type of review requested, e.g., new, revision, extension, existing or reinstatement; (2) Title; (3) Agency form number (if any); (4) Frequency of collection; (5) The affected public; ;(6) Reporting burden; and/or (7) Recordkeeping burden; and (8) Abstract. OMB invites public comment at the address specified above. Copies of the requests are available from Margaret Webster at the address specified above.

Dated: December 21, 1987.

Carlos U. Rice,

Director for Information Technology Services.

Office of Educational Research and Improvement

Type of Review: New
Title: Application for Grants Under the College Library Technology and Cooperation Grants Program, HEA II-D.
Agency Form Number: G50-46P
Frequency: Annually
Affected Public: Non-profit institutions
Reporting Burden: Responses: 1500; *Burden Hours:* 12,000
Recordkeeping: Recordkeepers: 0; *Burden Hours:* 0

Abstract: This form will be used by instituions of higher education and non-profit organizations to apply for grants under the College Library Technology and Cooperation Grants Program. The Department uses the information to make grant awards.

Office of Educational Research and Improvement

Type of Review: Revision
Title: Application for Educational Research Grant Program
Agency Form Number: G50-27P
Frequency: Annually
Affected Public: Individuals or households; state or local governments; non-profit institutions; small businesses; organizations
Reporting Burden: Responses: 700; Burden Hours: 2,100
Recordkeeping: Recordkeepers: 0; Burden Hours: 0

Abstract: This form will be used by public or private organizations, institutions of higher education and individuals to apply for research and development grants, including cooperative agreements, under the Educational Research Grant Program. The Department uses the information to make grant awards.

Office of Bilingual Education and Minority Language Affairs

Type of Review: Revision
Title: Application for Grants Under the Transition Program for Refugee Children
Agency Form Number: ED 443-2
Frequency: Annually
Affected Public: State or local governments
Reporting Burden: Responses: 52; *Burden Hours:* 7644
Recordkeeping: Recordkeepers: 0; *Burden Hours:* 0

Abstract: This form will be used by State agencies to apply for grants under the Transition Program for Refugee Children. The Department uses the information collected to make grant awards.

Office of Special Education and Rehabilitative Services

Type of Review: Extension
Title: Quarterly Cumulative Caseload Report
Agency Form Number: RSA-113
Frequency: Quarterly
Affected Public: State or local governments
Reporting Burden: Responses: 336; *Burden Hours:* 336
Recordkeeping: Recordkeepers: 84; *Burden Hours:* 84

Abstract: This report is used by State Vocational Rehabilitation (VR) agencies to provide caseload data. The Department uses the information collected to assess the accomplishments of program goals and objectives and to aid in effective program management.

Office of Special Education and Rehabilitative Services

Type of Review: Revision
Title: Services for Deaf-Blind Children and Youth
Agency Form Number: B20-10P
Frequency: Annually
Affected Public: State or local governments
Reporting Burden: Responses: 38; *Burden Hours:* 152
Recordkeeping: Recordkeepers: 38; *Burden Hours:* 190

Abstract: These forms will be used by State agencies that have received funds under the Services for Deaf-Blind Children and Youth Program. The Department uses the information in preparing the Annual Report to Congress.

Office of Vocational and Adult Education

Type of Review: Extension
Title: State Plan under the Carl D. Perkins Vocational Education Act of 1984.
Agency Form Number: ED 576-3
Frequency: Annually and Biennially
Affected Public: State or local governments
Reporting Burden: Responses: 53; *Burden Hours:* 5300
Recordkeeping: Recordkeepers: 0; *Burden Hours:* 0

Abstract: State Boards for Vocational Education must submit state plans to apply for grants under the Carl D. Perkins Vocational Education Act, as amended. The Department uses the information to determine compliance with the Act and to make grant awards.

Office of Vocational and Adult Education

Type of Review: Extension
Title: Performance Report for State Administered Vocational Education
Agency Form Number: C30-2R
Frequency: Annually
Affected Public: State or local governments
Reporting Burden: Responses: 53; *Burden Hours:* 2544
Recordkeeping: Recordkeepers: 0; *Burden Hours:* 0

Abstract: This performance report will be used by State administration agencies of vocational education participating in the Carl D. Perkins Act, as amended. The Department uses the information to monitor and evaluate states' performance in providing services.

Office of Planning, Budget, and Evaluation

Type of Review: New
Title: Study of State and Local Response to the Perkins Act
Agency Form Number: P75-12P
Frequency: One time only
Affected Public: State and Local governments
Reporting Burden: Responses: 2000; *Burden Hours:* 2000
Recordkeeping: Recordkeepers: 0; *Burden Hours:* 0

Abstract: This study will collect data from States about the status of vocational education and the effects of implementing the Carl D. Perkins Act, as amended. The Department uses the information to assess the practices of vocational education activities and prepare a report to Congress on the effects of the Act.

[FR Doc. 87-29542 Filed 12-23-87; 8.45 am]
BILLING CODE 4000-01-M

Intergovernmental Advisory Council on Education; Partial Closing of Meeting

AGENCY: Education.

ACTION: Notice.

SUMMARY: Notice is hereby given of the decision to partially close the Intergovernmental Advisory Council on Education Executive Committee Meeting scheduled for December 29, 1987, in Washington, DC, as published in the **Federal Register** on Monday, December 14, 1987, Volume 52, No. 239, page 47448. The meeting will be closed to the public from 3:00 p.m. to 4:30 p.m.

SUPPLEMENTARY INFORMATION: A portion of the Executive Committee meeting on December 29, 1987, will be closed to the public because the Committee will be conducting interviews of candidates for the position of Executive Director. The meeting will be closed from 3:00 p.m. to 4:30 p.m. under the authority of section 10(d) of the Federal Advisory Committee Act Pub. L. 92-463; 5 U.S.C. Appendix 2) and under exemption (6) of section 552b(c) of the Government in the Sunshine Act Pub. L. 94-409; 5 U.S.C. 552b(c)(6)). The interviews and subsequent discussion will touch upon matters that would disclose information of a personal nature where disclosure would constitute a clearly unwarranted invasion of personal privacy if conducted in open session.

A summary of the activities at the closed session and related matters which are informative to the public consistent with the policy of Title 5 U.S.C. 552b will be available to the public within fourteen days of the meeting.

The proposed agenda is therefore amended to include:

—Old Business
—Update on Status of Job Training and Retraining Report
—Budget Overview
—Discussion of 1988 Conference Planning
—Interviews of Candidates for Executive Director Position
—Other New Business

Dated: December 18, 1987.

Peter R. Greer,

Deputy Under Secretary for Intergovernmental and Interagency Affairs.

[FR Doc. 87-29554 Filed 12-23-87; 8:45 am]
BILLING CODE 4000-01-M

DEPARTMENT OF ENERGY

Office of Fossil Energy

Liquids Transportation Task Group, Coordinating Subcommittee on Petroleum Storage & Transportation, National Petroleum Council; Notice of Open Meeting

Notice is hereby given of the following meeting:

Name: Liquids Transportation Task Group, Coordinating Subcommittee on Petroleum Storage & Transportation of the National Petroleum Council.

Date and Time: Tuesday, January 12, 1988, 1:00 p.m.

Place: Hyatt Regency—Dallas-Fort Worth, Room 345, International Parkway, Dallas-Fort Worth Airport, Texas.

Contact: Margie D. Biggerstaff, U.S. Department of Energy, Office of Fossil Energy (FE-1), Washington, DC 20585, Telephone: 202/586-4695.

Purpose of the Parent Council: To provide advice, information, and recommendations to the Secretary of Energy on matters relating to oil and gas or the oil and gas industries.

Purpose of the Meeting: Discuss pipeline survey and progress on individual assignments.

Tentative Agenda:

—Opening remarks by Chairman and Government Cochairman.
—Discuss the pipeline survey.
—Review progress on individual assignments.
—Discuss any other matters pertinent to the overall assignment from the Secretary of Energy.

Public Participation: The meeting is open to the public. The Chairman of the Task Group is empowered to conduct the meeting in a fashion that will, in his judgment, facilitate the orderly conduct of business. Any member of the public who wishes to file a written statement with the Task Group will be permitted to do so, either before or after the meeting. Members of the public who wish to make oral statements pertaining to agenda items should contact Ms. Margie D. Biggerstaff at the address or telephone number listed above. Requests must be received at least 5 days prior to the meeting and reasonable provisions will be made to include the presentation on the agenda.

Summary minutes of the meeting will be available for public review at the Freedom of Information Reading Room, Room 1E-190, DOE Forrestal Building, 1000 Independence Avenue, SW., Washington, DC, between the hours of 9:00 a.m. and 4:00 p.m. Monday through Friday, except Federal holidays.

J. Allen Wampler,

Assistant Secretary, Fossil Energy.

[FR Doc. 87-29495 Filed 12-23-87; 8:45 am]
BILLING CODE 6450-01-M

Coordinating Subcommittee on Petroleum Storage & Transportation, Committee on Petroleum Storage and Transportation, National Petroleum Council; Open Meeting

Notice is hereby given of the following meeting:

Name: Coordinating Subcommittee on Petroleum Storage & Transportation of the Committee on Petroleum Storage & Transportation of the National Petroleum Council.

Date and Time: Wednesday, January 20, 1988, 9 a.m.

Place: Hyatt Regency—West Tower, Room 215, Dallas-Fort Worth Int'l Airport, Dallas-Fort Worth Airport, Texas.

Contact: Margie D. Biggerstaff, U.S. Department of Energy, Office of Fossil Energy (FE-1), Washington, DC 20585, Telephone: 202/586-4695.

Purpose of the Parent Council: To provide advice, information, and recommendations to the Secretary of Energy on matters relating to oil and gas or the oil and gas industries.

Purpose of the Meeting: Discuss study assignment and review task group assignments.

Tentative Agenda:

—Opening remarks by Chairman and Government Cochairman.
—Discuss study assignment.
—Review task group assignments.
—Discuss any other matters pertinent to the overall assignment from the Secretary of Energy.

Public Participation: The meeting is open to the public. The Chairman of the Subcommittee on Petroleum Storage & Transportation is empowered to conduct the meeting in a fashion that will, in his judgment, facilitate the orderly conduct of business. Any member of the public who wishes to file a written statement with the Subcommittee will be permitted to do so, either before or after the meeting. Members of the public who wish to make oral statements pertaining to agenda items should contact Ms.

Margie D. Biggerstaff at the address or telephone number listed above. Requests must be received at least 5 days prior to the meeting and reasonable provisions will be made to include the presentation on the agenda.

Summary minutes of the meeting will be available for public review at the Freedom of Information Reading Room, Room 1E-190, DOE Forrestal Building, 1000 Independence Avenue, SW., Washington, DC, between the hours of 9:00 a.m. and 4:00 p.m., Monday through Friday, except Federal holidays.

J. Allen Wampler,

Assistant Secretary, Fossil Energy.

[FR Doc. 87-29496 Filed 12-23-87; 8:45 am]

BILLING CODE 6450-01-M

Natural Gas Transportation Task Group, Coordinating Subcommittee on Petroleum Storage & Transportation, National Petroleum Council; Public Meeting

Notice is hereby given of the following meeting:

Name: Natural Gas Transportation Task Group, Coordinating Subcommittee on Petroleum Storage & Transportation of the National Petroleum Council.

Date and Time: Wednesday, January 13, 1988. 9:00 a.m.

Place: National Petroleum Council, 1625 K Street, NW., Conference Room, Washington, DC.

Contact: Margie D. Biggerstaff, U.S. Department of Energy, Office of Fossil Energy (FE-1), Washington, DC 20585, Telephone: 202/586-4695.

Purpose of the Parent Council: To provide advice, information, and recommendations to the Secretary of Energy on matters relating to oil and gas or the oil and gas industries.

Purpose of the Meeting: Discuss gas pipeline survey and review progress on individual assignments.

Tentative Agenda:

—Opening remarks by Chairman and Government Cochairman.
—Discuss the gas pipeline survey.
—Review progress on individual assignments.
—Discuss any other matters pertinent to the overall assignment from the Secretary of Energy.

Public Participation: The meeting is open to the public. The Chairman of the Task Group is empowered to conduct the meeting in a fashion that will, in his judgment, facilitate the orderly conduct of business. Any member of the public who wishes to file a written statement with the Task Group will be permitted to do so, either before or after the meeting. Members of the public who wish to make oral statements pertaining to agenda items should contact Ms. Margie D. Biggerstaff at the address or telephone number listed above. Requests must be received at least 5 days prior to the meeting and reasonable provisions will be made to include the presentation on the agenda.

Summary minutes of the meeting will be available for public review at the Freedom of Information Public Reading Room, Room 1E-190, DOE Forrestal Building, 1000 Independence Avenue, SW., Washington, DC, between the hours of 9:00 a.m. and 4:00 p.m., Monday through Friday, except Federal holidays.

J. Allen Wampler,

Assistant Secretary, Fossil Energy.

[FR Doc. 87-29497 Filed 12-23-87; 8:45 am]

BILLING CODE 6450-01-M

Inventories & Storage Task Group, Coordinating Subcommittee on Petroleum Storage & Transportation, National Petroleum Council; Open Meeting

Notice is hereby given of the following meeting:

Name: Inventories & Storage Task Group of the Coordinating Subcommittee on Petroleum Storage & Transportation of the National Petroleum Council.

Date and Time: Thursday, January 14, 1988, 10 a.m.

Place: Mobil Building, 150 East 42nd Street, New York, New York.

Contact: Margie D. Biggerstaff, U.S. Department of Energy, Office of Fossil Energy (FE-1), Washington, DC 20585, Telephone: 202/586-4695.

Purpose of the Parent Council: To provide advice, information, and recommendations to the Secretary of Energy on matters relating to oil and gas or the oil and gas industries.

Purpose of the Meeting: Discuss surveys and progress on assignments.

Tentative agenda:

—Opening remarks by Chairman and Government Cochairman.
—Discuss surveys of inventories and storage capacity.
—Review progress on individual assignments.
—Discuss any other matters pertinent to the overall assignment from the Secretary of Energy.

Public Participation: The meeting is open to the public. The Chairman of the Inventories & Storage Task Group is empowered to conduct the meeting in a fashion that will, in his judgment, facilitate the orderly conduct of business. Any member of the public who wishes to file a written statement with the Task Group will be permitted to do so, either before or after the meeting. Members of the public who wish to make oral statements pertaining to agenda items should contact Ms. Margie D. Biggerstaff at the address or telephone number listed above. Requests must be received at least 5 days prior to the meeting and reasonable provisions will be made to include the presentation on the agenda.

Summary minutes of the meeting will be available for public review at the Freedom of Information Public Reading Room, Room 1E-190, DOE Forrestal Building, 1000 Independence Avenue, SW., Washington, DC, between the hours of 9:00 a.m. and 4:00 p.m., Monday through Friday, except Federal holidays.

J. Allen Wampler,

Assistant Secretary, Fossil Energy.

[FR Doc. 87-29498 Filed 12-23-87; 8:45 am]

BILLING CODE 6450-01-M

Economic Regulatory Administration

[ERA Docket No. 87-48-NG]

Victoria Gas Corp.; Order Granting Blanket Authorization To Export Natural Gas

AGENCY: Economic Regulatory Administration, DOE.

ACTION: Notice of order granting blanket authorization to export natural gas.

SUMMARY: The Economic Regulatory Administration (ERA) of the Department of Energy (DOE) gives notice that it has issued an order granting Victoria Gas Corporation (Victoria) blanket authorization to export natural gas to Canada. The order issued in ERA Docket No. 87-48-NG authorizes Victoria to export up to 72 Bcf of natural gas over a two-year period beginning on the date of first delivery.

A copy of this order is available for inspection and copying in the Natural Gas Division Docket Room, GA-076, Forrestal Building, 1000 Independence Avenue, SW., Washington, DC 20585, (202) 586-9478. The docket room is open between the hours of 8:00 a.m., and 4:30 p.m., Monday through Friday, except Federal holidays.

Issued in Washington, DC, December 18, 1987.

Constance L. Buckley,

Director, Natural Gas Division, Office of Fuels Programs, Economic Regulatory Administration.

[FR Doc. 87-29499 Filed 12-23-87; 8:45 am]

BILLING CODE 6450-01-M

[Docket No. ERA C&E 88-02; Certification Notice—8]

Filing of Certification of Compliance: Coal Capability of New Electric Powerplants

AGENCY: Economic Regulatory Administration, DOE.

ACTION: Notice of filing.

SUMMARY: Title II of the Powerplant and Industrial Fuel Use Act of 1978, as amended ("FUA" or "the Act") (42 U.S.C. 8301 *et seq.*) provides that no new electric powerplant may be constructed or operated as a base load powerplant without the capability to use coal or another alternate fuel as a primary energy source (section 201(a)). In order to meet the requirement of coal capability, the owner or operator of any new powerplant to be operated as a base load powerplant proposing to use natural gas or petroleum as its primary energy source may certify, pursuant to section 201(d) to the Secretary of Energy prior to construction, or prior to operation as a base load powerplant, that such powerplant has capability to use coal or another alternate fuel. Such certification establishes compliance with section 201(a) as of the date it is filed with the Secretary. The Secretary is required to publish in the **Federal Register** a notice reciting that the certification has been filed. Three owners or operators of proposed new electric base load powerplants have filed self certifications in accordance with section (d). Further information is provided in the **SUPPLEMENTARY INFORMATION** section below.

SUPPLEMENTARY INFORMATION: The following companies filed self certifications:

Name	Date received	Type facility	Megawatt capacity	Location
Albany Cogeneration Associates, New York	11-18-87	Combined cycle	25	Albany County, New York
Simpson Paper Co., Ripon, CA	11-23-87	Combined cycle	49.5	Ripon, CA
Pepperell Power Associates, Pepperell, MA*	11-09-87	Combined cycle	85	Pepperell, MA*

*This notice of this certification originally appeared in the FEDERAL REGISTER on December 1, 1987, erroneously indicating that it was located in Maine instead of Massachusetts (52 FR 45677).

Amendments to FUA on May 22, 1987 (Pub. L. 100-42) altered the general prohibitions to include only new electric baseload powerplants and to provide for the self certification procedure.

Issued in Washington, DC, on December 17, 1987.

Robert L. Davies,

Director, Office of Fuels programs, Economic Regulatory Administration.

[FR Doc. 87-29500 Filed 12-23-87; 8:45 am]

BILLING CODE 6450-01

Federal Energy Regulatory Commission

[Docket Nos. ER88-140-000 et al.]

Arizona Public Service Co. et al.; Electric Rate and Corporate Regulation Filings

December 21, 1987.

Take notice that the following filings have been made with the Commission:

1. Arizona Public Service Company

[Docket No. ER88-140-000]

Take notice that on December 15, 1987, Arizona Public Service Company (APS) tendered for filing a Notice of Cancellation of the Power Agreement (Agreement) among Southern California Edison (SCE), Nevada Power Company (NPC), Tucson Gas & Electric (TEP) (collectively known as APS) and the Arizona Power Pooling Association, APS Rate Schedule No. 70.

SCE, the Administrator of the Power Agreement (APS Rate Schedule No. 70) gave notice to the Western Area Power Administration terminating the Power Sale Agreement among the above parties and the United States Government Bureau of Reclamation for the interim purchase of layoff Power from the Navajo Project, effective May 31, 1987. APS FERC Rate Schedule No. 70 provides for the sale of APS' portion of said power.

APS requests waiver of §35.11 of the Federal Energy Regulatory Commission's Rules and Regulations to allow cancellation of APS FERC Rate Schedule No. 70 as of May 31, 1987.

Copies of this filing have been served upon APPA, SCE, NPC, TEP and the Arizona Corporation Commission.

Comment date: January 4, 1988, in accordance with Standard Paragraph E at the end of this notice.

2. Arizona Public Service Company

[Docket No. ER88-141-000]

Take notice that on December 16, 1987, Arizona Public Service Company (APS) tendered for filing Supplement No. 1 to the Letter Agreement for transmission Service to the Town of Wickenburg (Wickenburg), and an Indemnity Regarding Non-Application of the Tax Charge (Indemnity Agreement) to the aforementioned Letter Agreement.

Supplement No. 1 provides for extension of the Letter Agreement for Transmission Services until January 31, 1988 when a comprehensive agreement is anticipated to be finalized. No changes in rates, facilities, or conditions of service other than the extension of the term of the Agreement and increase in kW to be transmitted are proposed therein.

The Indemnity Agreement provides for the Non-Application of the "Arizona Transaction Privilege" and "Maricopa County Excise" taxes while APS protests and appeals imposition of such assessments and provides for indemnity for such assessments from Wickenburg in the event APS' appeal is unsuccessful.

Inasmuch as the term of the Letter Agreement for Transmission service expired on October 1, 1987, APS respectfully requests waiver of the Commission's Notice Requirements to allow service to continue subsequent to said date.

A copy of this filing has been served upon Wickenburg, their attorney and the Arizona Corporation Commission.

Comment date: January 4, 1988, in accordance with Standard paragraph E at the end of this notice.

3. Idaho Power Company

[Docket No. ER88-135-000]

Take notice that on December 14, 1987, Idaho Power Company (Company) tendered for filing in compliance with the Federal Energy Regulatory Commission's Order of October 7, 1978, a summary of sales made under the Company's 1st Revised FERC Electric Tariff, Volume No. 1 (Supersedes Original Volume No. 1) during October 1987, along with cost justification for the rate charged. This filing includes the following supplements.

Pacific Power & Light Co., Supplement No. 24

Utah Power & Light Co., Supplement No. 71
Washington Water Power Co., Supplement No. 54
Sierra Pacific Power Co., Supplement No. 69
Sacramento Municipal Utility District, Supplement No. 5

Comment date: January 4, 1988, in accordance with Standard Paragraph B at the end of this notice.

4. Kansas City Power & Light Company

[Docket No. ER88-136-000]

Take notice that on December 14, 1987, Kansas City Power & Light Company (KCPL) tendered for filing with the Commission proposed changes in Service Schedules for Firm Power Service to supersede and replace Service Schedules for Firm Power Service in contracts and agreements with the following wholesale customers:

1. City of Gardner, Kansas (Gardner), FPC No. 79
2. City of Pomona, Kansas (Pomona), FPC No. 82
3. City of Prescott, Kansas (Prescott), FERC No. 76
4. City of Baldwin, Kansas (Baldwin), FERC No. 85
5. City of Garnett, Kansas (Garnett), FERC No. 78
6. City of Osawatomie, Kansas (Osawatomie), FPC No. 77
7. City of Ottawa, Kansas (Ottawa), FERC No. 90
8. Kansas Electric Power Cooperative, Inc.—Coffey County (KEPCo-Coffey) FPC No. 69
9. Kansas Electric Power Cooperative, Inc.—United Electric (KEPCo-United), FPC No. 84

The proposed changes would decrease revenues from jurisdictional sales and revenues by $65,194.31 based on the 12-month period ending September 30, 1985.

These new Schedules are filed in compliance with Joint Offers of Settlement in Dockets Nos. ER86-273-001 and ER86-273-002 approved by the Commission by orders dated July 31, 1986. The result of the change will be to reduce the test year increase reflected by the rates in the present rate schedules for the Company's Kansas Sales for Resale customers by 2%.

A copy of the filing was sent to each customer affected and to the Kansas Corporation Commission.

Comment date: January 4, 1988, in accordance with Standard Paragraph B at the end of this notice.

5. Kansas Gas and Electric Company

[Docket No. ER88-120-000]

Take notice that on December 14, 1987, Kansas Gas and Electric Company (KGE) tendered for filing an amendment to include in its previous filing of November 27, 1987, 3 additional executed contracts from the cities of Arcadia and La Harpe, Kansas, and Mindenmines, Missouri. KGE states that the executed agreements replace the unexecuted agreements originally filed. The only difference between the unexecuted and executed agreements is a reduction in the initial term, specified in Article X, section 10.1, from 10 years to 5 years.

Comment date: January 4, 1988, in accordance with Standard Paragraph E at the end of this document.

6. MSU System Services, Inc.

[Docket No. EL86-59-004]

Take notice that on December 14, 1987, MSU System Services, Inc. (MSSI) tendered for filing a compliance refund report pursuant to the Commission's September 15, 1987, letter order approving a settlement in the instant proceeding. In the compliance report, MSSI states that all amounts collected in excess of the settlement rate levels have been refunded, together with interest computed under § 35.19(a) of the Commission's Regulations.

MSSI indicates that it originally dispatched the compliance report to the Commission by Airborne Express on November 2, 1987, but that it apparently never reached the proper parties so as to be formally filed. Accordingly, MSSI requests that its compliance report be considered to be timely filed. MSSI also states that, because it has no reason to believe that the other parties to the instant proceeding did not receive copies of the compliance report when it was originally dispatched on November 2, 1987, MSSI was not providing such parties with another copy of the filing.

Comment date: January 4, 1988, in accordance with Standard Paragraph E at the end of this notice.

7. Northern States Power Company (Minnesota); Northern States Power Company (Wisconsin)

[Docket No. ER88-138-000]

Take notice that on December 15, 1987, Northern States Power Company (Minnesota) and Northern States Power Company (Wisconsin) jointly tendered for filing revised Exhibits VII, VIII and IX to the Agreement to Coordinate Planning and Operations and Interchange Power and Energy Between Northern States Power Company (Minnesota) and Northern States Power Company (Wisconsin).

Exhibit VII sets forth the specification of the rate of return on common equity to determine the overall cost of capital. The return on common equity for calendar year 1988 is the FERC generic rate of return effective November 1, 1987. A Statement of the impact of the return on common equity on each Company has been filed.

Exhibit VIII sets forth the specification of average monthly coincident peak demands for calender year 1988 for each of the Companies. A statement of the impacts of these coincident peak demands on each Company has been filed. These coincident peak demands were determined based upon three year data. The three year data consists of 18 months actual and 18 months projected. The change from the use of the average of the 12 monthly peak demand allocation method to the use of 36 months was approved in Docket No. ER87-279-000.

Exhibit IX sets forth a specification of depreciation rates certified by the Minnesota Public Utilities Commission and the Wisconsin Public Service Commission for NSP (Minnesota) and NSP (Wisconsin).

The NSP Companies request an effective date of January 1, 1988, for this filing. Copies of the filing letter and revised Exhibits VII, VIII and IX have been served upon the wholesale and wheeling customers of the Companies. Copies of the filing have been mailed to the state Commissions of Michigan, Minnesota, North Dakota, South Dakota and Wisconsin.

Comment date: January 4, 1988, in accordance with Standard Paragraph E at the end of this notice.

8. Upper Peninsula Power Company

[Docket No. ER88-22-000]

Take notice that on December 14, 1987, Upper Peninsula Power Company tendered for filing revisions to the proposed reduction in rates schedule for wholesale electric service to the Alger-Delta Cooperative Electric Association, the Ontonagon County Rural Electrification Association, Village of Baraga, City of Escanaba, City of Gladstone, Village of L'Anse, City of Negaunee, and the Wisconsin Electric Power Company.

Based on the Period II test year ending December 31, 1983, when UPPCO's rates for wholesale electric service were last changed, the proposed rates would decrease revenues from sales to these customers by 2.35%. UPPCO states that the revisions are necessary to reflect more accurately the effect of changes in the Federal corporate income tax rate enacted in the Tax Reform Act of 1986.

Comment date: January 4, 1988, in accordance with Standard Paragraph E at the end of this notice.

9. Western Area Power Administration

[Docket No. EF88-5131-000]

Take notice that on December 4, 1987, by Rate Order No. WAPA-36, the Under Secretary of the Department of Energy confirmed and approved on an interim basis an extension of the existing Resources Coordination Program Rate Schedule RCP-1.

The rate extension will be in effect on an interim basis pending the Federal Energy Regulatory Commission's (FERC) approval of it, or a substitute rate, on a final basis, or until superseded. The Under Secretary has filed the rate schedule with FERC for confirmation and approval on a final basis, for the period from November 30, 1987, to September 30, 1989, pursuant to authority vested in the FERC by Delegation Order No. 0204-108.

Comment date: January 4, 1988, in accordance with Standard Paragraph E at the end of this notice.

10. Wisconsin Power & Light Company

[Docket No. EC87-17-000]

Take notice that on December 14, 1987, Wisconsin Power & Light Company (WPL) tendered for filing pursuant to Section 203 of the Federal Power Act and the Commission's regulations 18 CFR Part 33, an Amendment to Application for approval by the Commission of a proposed corporate restructuring. By this Amendment to its Application, WPL requests that the Commission disregard the matters stated in paragraph 14 on pages 9 and 10 of WPL's Application as originally filed and to treat such Application as if paragraph 14 had not been included. WPL states that the purpose of this Amendment is to submit unconditionally to the subject matter jurisdiction of the Commission under Section 203 with respect to the proposed corporate restructuring and thereby to enable the Commission to act expeditiously with respect to the Application.

Copies of this filing have been served upon all parties affected by this proceeding.

Comment date: January 4, 1988, in accordance with Standard Paragraph E at the end of this notice.

Standard Paragraph

E. Any person desiring to be heard or to protest said filing should file a motion to intervene or protest with the Federal Energy Regulatory Commission, 825 North Capitol Street, NE., Washington, DC 20426, in accordance with Rules 211 and 214 of the Commission's Rules of Practice and Procedure (18 CFR 385.211 and 385.214). All such motions or protests should be filed on or before the comment date. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a motion to intervene. Copies of this filing are on file with the Commission and are available for public inspection.

Lois D. Cashell,

Acting Secretary.

[FR Doc. 87-29544 Filed 12-23-87; 8:45 am]

BILLING CODE 6717-01-M

Mojave Pipeline Co. et al., Availability of the Mojave and Kern River Natural Gas Pipeline Projects Final EIR/EIS

December 18, 1987.

In the matter of Mojave Pipeline Company, Kern River Gas Transmission Company, El Dorado Interstate Transmission Company, Northwest Pipeline Corporation, El Paso Pipeline Corporation, Transwestern Pipeline Company; Docket Nos. CP85-437-003, CP85-552-002, CP86-205-001, CP85-625-001, CP86-197-003, CP86-212-001.

Notice is hereby given that the Federal Energy Regulatory Commission (FERC) and the California State Lands Commission (SCL) have available a final joint environmental impact report/statement (EIR/EIS) for the above-listed projects. The EIR/EIS was prepared under the direction of the FERC and SLC staffs to satisfy the requirements of the National Environmental Policy Act and the California Environmental Quality Act. The FERC has determined that approval of any of these projects "would be a major Federal action significantly affecting the quality of the human environment."

The primary projects proposed by Mojave Pipeline Company (Mojave) and Kern River Gas Transmission Company (Kern River), are competing to transport natural gas from various sources outside California to the Bakersfield, California, area for use in enhanced recovery (EOR) and related cogeneration projects. A previously proposed project, El Dorado Interstate Transmission Company (El Dorado), is examined in the EIR/EIS as an alternative but is not a direct competitor to Mojave or Kern River. On October 27, 1986, FERC Administrative Law Judge Isaac D. Benkin ordered that the El Dorado application be dismissed with prejudice. On October 20, 1987, the Commission adopted the initial decision, dismissed El Dorado's application, and terminated the docket. Also, on June 30, 1987, the SLC denied, without prejudice, El Dorado's application.

In each case, producers of crude oil in the San Joaquin Valley would use the natural gas as boiler fuel to create steam which would then be injected into the oil fields to produce crude oil not recoverable by primary recovery methods. Some of the steam would be used to generate electricity.

The projects proposed by Northwest Pipeline Company (Northwest), El Paso Natural Gas Company (El Paso), and Transwestern Pipeline Company (Transwestern) would deliver natural gas to the primary projects.

The primary projects are competing for the FERC's approval; however, it is unlikely that all projects would be approved. The EIR/EIS treats each primary project with its associated feeder projects as an alternative to the other. Additional alternative systems and routes are also analyzed. The proposed facility requirements for each system are outlined below:

	Mojave [1]	El Dorado	Kern River [2]
Pipeline (miles)	756.2	753.2	837
Compression (horsepower)	22,500		35,500

[1] Includes El Paso and Transwestern.
[2] Includes Northwest.

Facilities for the proposed systems would be located in Arizona, California, Navada, New Mexico, Texas, Utah, and Wyoming. Alternatives would involve the State of Colorado as well. Detailed listings of proposed facilities and affected counties were published in the **Federal Register** on August 23, 1985, December 13, 1985, and May 19, 1986. (See 50 FR 34174, 50941, and 51 FR 18357.)

The EIR/EIS will be used in the regulatory decisionmaking process at both the FERC and SLC and will be presented as evidentiary matter in formal hearings at the FERC. While the period for filing motions to intervene in these cases has expired, motions to intervene out-of-time can be filed with the FERC in accordance with the requirements of the Commission's Rules of Practice and Procedure, 18 CFR 385.214(d). Further, anyone desiring to file a protest with the FERC should do so in accordance with 18 CFR 385.211.

The EIR/EIS has been placed in the public files of the FERC and SLC and is available for public inspection in the FERC's Division of Public Information, Room 1000, 825 North Capitol Street,

NE., Washington, DC 20426 and at the SLC, 1807–13th Street, Sacramento, CA 95814. Copies have been sent to the public, all parties to the proceeding, and Federal, state, and local officials, and are available in limited quantities from the FERC's Division of Public Information and the SLC.

Additional information about the project is available either from Mr. Robert Arvedlund, FERC Project Manager, telephone (202) 357–9043, or Ms. Mary Griggs, SLC Project Manager, telephone (916) 322–0354.

Lois Cashell,

Acting Secretary, FERC.

[FR Doc. 87–29432 Filed 12–23–87; 8:45 am]

BILLING CODE 6717–01–M

[Docket Nos. ID–2323–000 et al.]

Bernard J. O'Keefe et al.; Interlocking Directorate Applications

December 21, 1987.

Taka notice that the following filings have been made made with the Commission:

1. Bernard J. O'Keefe

[Docket No. ID–2323–000]

Take notice that on December 15, 1987, Bernard J. O'Keefe filed an application pursuant to section 305(b) of the Federal Power Act for Commission authorization to hold concurrently the following positions:

Position	Name of corporation	Classification
Director	Boston Edison Co	Public utility.
Director	John Hancock Mutual Life Insurance Co..	Mutual life insurance company.

Comment Date: January 4, 1988, in accordance with Standard Paragraph E at the end of this notice.

2. Helene R. Cahners

[Docket No. ID–2321–000]

Take notice that on December 15, 1987, Helene R. Cahners filed an application pursuant to section 305(b) of the Federal Power Act for Commission authorization to hold concurrently the following positions:

Position	Name of corporation	Classification
Director	Boston Edison Co	Public utility.
Director	Berkshire Life Insurance Co.	Mutual life insurance company.

Comment Date: January 4, 1988, in accordance with Standard Paragraph E at the end of this notice.

3. Nelson S. Gifford

[Docket No. ID–2322–000]

Take notice that on December 15, 1987, Nelson S. Gifford filed an application pursuant to section 305(b) of the Federal Power Act for Commission authorization to hold concurrently the following positions:

Position	Name of corporation	Classification
Director	Boston Edison Co	Public utility.
Director	John Hancock Mutual Life Insurance Co..	Mutual life insurance company.

Comment Date: January 4, 1988, in accordance with Standard Paragraph E at the end of this notice.

Standard Paragraph

E. Any person desiring to be heard or to protest said filing should file a motion to intervene or protest with the Federal Energy Regulatory Commission, 825 North Capitol Street NE., Washington, DC 20426, in accordance with Rules 211 and 214 of the Commission's Rules of Practice and Procedure (18 CFR 385.211 and 385.214). All such motions or protests should be filed on or before the comment date. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a motion to intervene. Copies of this filing are on file with the Commission and are available for public inspection.

Lois D. Cashell,

Acting Secretary.

[FR Doc. 87–29545 Filed 12–23–87; 8:45 am]

BILLING CODE 6717–01–M

[Docket Nos. CP86–143–008, et al.]

Texas Gas Transmission Company et al.; Natural Gas Certificate Filings

December 18, 1987.

Take notice that the following filings have been made with the Commission.

1. Texas Gas Transmission Co.

[Docket No. CP86–143–008]

Take notice that on November 30, 1987, Texas Gas Transmission Corporation (Texas Gas), P.O. Box 1160, Owensboro, Kentucky 42302, filed in Docket No. CP86–143–008, a petition to amend further the Commission order issued in Docket No. CP86–143–000 on February 14, 1986, as amended, so as to extend the term of transportation service authorized beyond the present expiration date of February 12, 1988, all as more fully set forth in the petition to amend which is on file with the Commission and open to public inspection.

It is stated that by order issued February 14, 1986, in Docket No. CP86–143–000, Texas Gas was granted authorization to provide interruptible transportation service for 52 end-users for a period of one year from the date of the order. Texas Gas indicates that by subsequent order issued February 12, 1987, in Docket No. CP86–143–005, the Commission amended the February 14, 1986, order and executed the term of Texas Gas' authorization until February 12, 1988 (one year), or the date on which Texas Gas accepted a blanket certificate under § 284.221 of the Commission Regulations, which ever occurred first.

Texas Gas in the present application is requesting authority to extend this transportation service beyond February 12, 1988, until the earlier of one year from the expiration date of the present certificate or the date on which Texas Gas accepts a blanket certificate under § 284.221 of the Commission's Regulations. No other changes are proposed.

Comment date: January 8, 1988, in accordance with the first paragraph of Standard Paragraph F at the end of this notice.

Arkla Energy Resources, a division of Arkla, Inc.

[Docket No. CP88–113–000]

Take notice that on December 7, 1987, Arkla Energy Resources, a division of Arkla, (AER), P.O. Box 21734, Shreveport, Louisiana 71151, filed in Docket No. CP88–113–000 an application pursuant to section 7(c) of the Natural Gas Act for a certificate of public convenience and necessity authorizing the establishment of a new sales rate schedule, Rate Schedule CD,. all as more fully set forth in the application, which is on file with the Commission and open to public inspection.

AER states that the proposed service would serve the public convenience and necessity because it would provide AER an opportunity to effectively compete for new large volume sale for resale customers, increase its system load factor, and thereby lower unit costs.

Comment date: January 8, 1988, in accordance with Standard Paragraph F at the end of this notice.

East Tennessee Natural Gas

[Docket No. CP88–115–000]

Take notice that on December 8, 1987, East Tennessee Natural Gas Company, (Applicant), P.O. Box 10245, Knoxville,

Tennessee 37939–0245, filed in Docket No. CP88–115–000, a request pursuant to §§ 157.205 and 157.212(b) of the Regulations under the Natural Gas Act (18 CFR 157.205 and 157.212) that Applicant be allowed to construct and operate a new delivery point for Stauffer Chemical Company (Stauffer), under the certificate issued in Docket No. CP82–412–000, pursuant to the Natural Gas Act, all as more fully set forth in the request on file with the Commission and open to public inspection.

Applicant proposes to establish a new delivery point for its existing customer, Stauffer, southwest of the present Stauffer facilities in Maury County, Tennessee. The new delivery point will provide a second delivery point to Stauffer's Mt. Pleasant facilities. It is stated that the volumes delivered would be within the certified entitlements of Stauffer and that there would be no impact on Applicant's peak day deliverability.

Comment date: February 1, 1988, in accordance with Standard Paragraph G at the end of this notice.

4. Arkla Energy Resources, a Division of Arkla, Inc.

[Docket No. CP88–116–000]

Take notice that on December 8, 1987, Arkla Energy Resources, a division of Arkla, Inc. (AER), P.O. Box 21734, Shreveport, Louisiana 71151, filed in Docket No. CP88–116–000 a request pursuant to § 157.205 of the Commission's Regulations under the Natural Gas Act (18 CFR 157.205) for authorization to construct and operate two sales taps and related jurisdictional facilities necessary to deliver gas from its jurisdictional system for delivery to consumers served by Arkansas Louisiana Gas Company, a division of Arkla, Inc. (ALG) under the authorization issued in Docket Nos CP82–384–000 and CP82–384–001 pursuant to section 7 of the Natural Gas Act, all as more fully set forth in the request which is on file and open to public inspection.

AER proposes to construct and operate a sales tap and related facilities on its Line 2–AD in Hughes County, Oklahoma to deliver gas to ALG for service to Betty J. Williams, a residential user who would use the gas for normal domestic purposes. It is estimated that Betty J. Williams would consume approximately 160 Mcf per year and about 1.5 Mcf on a peak day. It is further started that the proposed jurisdictional facilities would cost approximately $1,350 to install.

Applicant further proposes to construct and operate a sales tap and related facilities on its Line 25 in Cowley County, Kansas to deliver gas to ALG for service to Ron Dust, a residential user who would use the gas for normal domestic purposes. AER estimates that Ron Dust would consume approximately 140 Mcf per year and 2 Mcf on a peak day. The proposed jurisdictional facilities would cost approximately $1,350 to install. AER explains that the gas would be delivered from its general system supply and asserts that its system supply is adequate to provide the proposed service.

Comment date: February 1, 1988, in accordance with Standard Paragraph G at the end of this notice.

5. Transcontinental Gas Pipe Line Corporation

[Docket No. CP88–92–000]

Take notice that on November 24, 1987, Transcontinental Gas Pipe Line Corporation (Transco), Post Office Box 1396, Houston, Texas 77251, filed in Docket No. CP88–92–000 an application pursuant to section 7(c) of the Natural Gas Act for a certificate of public convenience and necessity authorizing the construction and operation of facilities and the firm transportation of natural gas, all as more fully set forth in the application which is on file with the Commission and open to public inspection.

Transco states that these proposed facilities would cost approximately $24,534,000 and would be necessary to enable it to provide firm transportation service for up to 73,500 dt equivalent of natural gas per day for its affiliate Transco Energy Marketing Company (TEMCO) for an initial period ending October 31, 2002.

It is stated that the gas to be transported is sold to TEMCO by Sulpetro Limited under assignment by Transco of a long-term purchase contract. Transco states that TEMCO will seek authorization from the Economic Regulatory Administration to import the Canadian purchase quantities on a long-term basis.

The application states that this gas would be transported to Transco's system by TransCanada Pipelines Limited, Tennessee Gas Pipeline Company, and National Fuel Gas Supply Corporation (National Fuel). Transco states that National Fuel has applied for section 7(c) transportation authority in Docket No. CP88–94–000.

It is stated that the gas would then be transported by Transco for TEMCO to make firm, long-term sales to the following local distribution company customers:

	Maximum daily quantity (dt)
1. Baltimore Gas and Electric Company	25,000
2. Long Island Lighting Company	15,000
3. Public Service Electric and Gas Company	32,825

Transco states that it would charge an initial transportation rate consisting of a monthly reservation rate D–1 of $1.70 per dt and D–2 of $0.056 per dt and a commodity rate of $0.146 per dt of gas transported derived on a modified fixed variable rate design methodology to recover the cost of service for the proposed expansion and for the facilities proposed in Docket No. CP87–196–000 on a rolled in basis.

Specifically, Transco states that it seeks authority to construct and operate the following facilities:

1. 3.97 miles of 36-inch diameter pipeline loop from M.P. 64.99 to MP. 68.96 on its Leidy Line located in Luzerne and Monroe counties in Pennsylvania.

2. 10.88 miles of 36-inch diameter pipeline loop from M.P. 68.96 on its Leidy Line to M.P. 10.88 on its Leidy "B" Line located in Luzerne County, Pennsylvania.

3. 3.43 miles of 30-inch diameter pipeline loop from M.P. 190.63 to M.P. 194.06 on its Leidy Line located in Clinton County, Pennsylvania.

4. 2.25 miles of 16-inch diameter pipeline loop from M.P. 2.25 on its 12-inch Leidy Line to M.P. 0.00 at its Compressor Station No. 535 located in Potter County, Pennsylvania.

5. Metering and regulation facilities at M.P. 2.25 of the proposed loop located in Potter County, Pennsylvania.

Transco states that these Canadian impact quantities have been flowing since 1980 on a best efforts basis and will now be sold to discrete markets. Transco states that it believes this application is distinguished from open season proposals that may be filed in response to the Commission's Northeast open-season proceeding at Docket No. CP87–451–000.

Comment date: January 8, 1988, in accordance with Standard Paragraph F at the end of this notice.

Standard Paragraphs:

F. Any person desiring to be heard or make any protest with reference to said filing should on or before the comment date file with the Federal Energy Regulatory Commission, 825 North

Capitol Street, NE., Washington, DC 20426, a motion to intervene or a protest in accordance with the requirements of the Commission's Rules of Practice and Procedure (18 CFR 385.211 and 385.214) and the Regulations under the Natural Gas Act (18 CFR 157.10). All protests filed with the Commission will be considered by it in determining the appropriate action to be taken but will not serve to make the protestants parties to the proceeding. Any person wishing to become a party to a proceeding or to participate as a party in any hearing therein must file a motion to intervene in accordance with the Commission's Rules.

Take further notice that, pursuant to the authority contained in and subject to jurisdiction conferred upon the Federal Energy Regulatory Commission by sections 7 and 15 of the Natural Gas Act and the Commission's Rules of Practice and Procedure, a hearing will be held without further notice before the Commission or its designee on this filing if no motion to intervene is filed within the time required herein, if the Commission on its own review of the matter finds that a grant of the certificate is required by the public convenience and necessity. If a motion for leave to intervene is timely filed, or if the Commission on its own motion believes that a formal hearing is required, further notice of such hearing will be duly given.

Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for the applicant to appear or be represented at the hearing.

G. Any person or the Commission's staff may, within 45 days after the issuance of the instant notice by the Commission, file pursuant to Rule 214 of the Commission's Procedural Rules (18 CFR 385.214) a motion to intervene or notice of intervention and pursuant to § 157.205 of the Regulations under the Natural Gas Act (18 CFR 157.205) a protest to the request. If no protest is filed within the time allowed therefor, the proposed activity shall be deemed to be authorized effective the day after the time allowed for filing a protest. If a protest is filed and not withdrawn within 30 days after the time allowed for filing a protest, the instant request shall be treated as an application for authorization pursuant to section 7 of the Natural Gas Act.

Lois D. Cashell,

Acting Secretary.

[FR Doc. 87-29433 Filed 12-23-87; 8:45am]

BILLING CODE 6719-01-M

[Docket Nos. QF88-109-000 et al.]

Small Power Production and Cogeneration Facilities; Qualifying Status; Certificate Applications, etc; Archer-Daniels-Midland Co. et al.

December 21, 1987.

Comment Date: January 25, 1988, in accordance with Standard Paragraph E at the end of this notice.

Take notice that the following filings have been made with the Commission.

1. Archer-Daniels-Midland Co.

[Docket No. QF88-109-000]

On November 23, 1987, Archer-Daniels-Midland Company (Applicant), of 4666 Faries Parkway, Decatur, Illinois 62526, submitted for filing an application for certification of a facility as a qualifying cogeneration facility pursuant to § 292.207 of the Commission's regulations. No determination has been made that the submittal constitutes a complete filing.

The topping-cycle cogeneration facility will be located in Lincoln, Nebraska. The facility will consist of a multi-bed fluidized bed steam generator and a back pressure steam turbine generator. Thermal energy recovered from the facility will be used in the plant for process purposes. The net electric power production capacity of the facility will be 6,400 kW. The primary source of energy will be coal. Construction of the facility began in September 1986.

2. Archer-Daniels-Midland Co.

[Docket No. QF88-116-000]

On November 30, 1987, Archer-Daniels-Midland Company, of 4666 Faries Parkway, Decatur, Illinois 62526, submitted for filing an application for certification of a facility as a qualifying cogeneration facility pursuant to § 292.207 of the Commission's regulations. No determination has been made that the submittal constitutes a complete filing.

The topping-cycle cogeneration facility will be located in Des Moines, Iowa. The facility will consist of a multi-bed fluidized bed steam generator and a back-pressure steam turbine generator. Thermal energy recovered from the facility will be used in the plant for process purposes. The net electric power production capacity of the facility will be 6,400 kW. The primary source of energy will be coal. Construction of the facility began in September 1986.

3. General Electric Credit Corp. and The Connecticut National Bank, as Owner Trustee

[Docket No. QF83-332-003]

On November 30, 1987, General Electric Credit Corporation of 260 Long Ridge Road, Stamford, Connecticut 06902 and The Connecticut National Bank, as Owner Trustee of 777 Main Street, Hartford, Connecticut 06115 submitted for filing an application for recertification of a facility as a qualifying small power production facility pursuant to §292.207 of the Commission's regulations. No determination has been made that the submittal constitutes a complete filing.

The small power production facility will be located in Wilmington, Delaware. The facility will consist of five combustion units, four heat recovery steam generators, and three steam turbine generating units. The primary energy source will be biomass in the form of a combination of refuse derived fuel and unprocessed municipal solid waste. The net electric power production capacity of the facility will be 17.5 MW.

The original application (QF83-332-000) was filed on July 1, 1983 granted certification as a qualifying cogeneration facility on September 8, 1983 (24 FERC ¶ 62,286). The facility was also certified as qualifying small power production facility by operation of law on February 1, 1984, in Docket No. QF83-332-001.

The first application for recertification (QF83-332-002) reflecting changes in the ownership from the Crouse Group to Crouse Recovery of Delaware, Inc. an increase in net electric power production capacity from 13.8 MW to 17.5 MW was filed on November 17, 1986 and granted on April 30, 1987 (39 FERC ¶ 62,106). The instant recertification is requested due to change in legal and beneficial facility's ownership from Crouse Recovery of Delaware, Inc. to The Connecticut National Bank, as Owner Trustee and General Electric Credit Corporation, respectively. All other facility's characteristics will essentially remain the same.

4. Simpson Paper Co.

[Docket No. QF88-110-000]

On November 23, 1987, Simpson Paper Company (Applicant), Post Office Box 757, Ripon, California 95366 submitted for filing an application for certification of a facility as a qualifying cogeneration facility pursuant to § 292.207 of the Commission's regulations. No determination has been made that the submittal constitutes a complete filing.

The proposed topping-cycle cogeneration facility will be located on the premises of Simpson Paper

Company's Ripon, Paper Mill Processing Plant, in the City of Ripon, of San Joaquin County, California. The facility will consist of a combustion turbine generator, and a heat recovery steam generator. Heat recovered from the facility will be used in the existing paper mill in the processing of pulp, paper machine drying, and other process heating associated with paper production. The net electric power production capacity of the facility will be 48 megawatts. The primary source of energy will be natural gas with No. 2 fuel oil as a backup. The installation of the facility commenced in 1986, and is expected to be operational in February 1988.

5. Stockton GoGen Co.

[Docket No. QF85-225-001]

On December 2, 1987, Stockton CoGen Company (Applicant), of Allentown, Pennsylvania 18195 submitted for filing an application for recertification of a facility as a qualifying cogeneration facility pursuant to § 292.207 of the Commission's regulations. No determination has been made that the submittal constitutes a complete filing.

The topping-cycle cogeneration facility will be located at 1010 Zephyr Drive, Stockton, California. The facility will consist of a circulating fluidized bed boiler and an extraction-condensing steam turbine generating unit. Extraction steam produced from the facility will be used to dry corn and to make other corn products. The primary energy source for the facility will be either coal or petroleum coke. The net electric power production capacity of the facility will be 49.9 MW.

The original application was filed by Corn Products and was granted certification as a qualifying cogeneration facility on April 24, 1985 (31 FERC ¶ 62,108 (1985)).

The recertification is requested due to change in ownership from Corn Products to Stockton CoGen Company. Stockton CoGen Company is a California general partnership consisting of two partners, Stockton CoGen (I) Inc. ("CoGen I") and Stockton Cogen (II), Inc. ("CoGen II").

CoGen I is a Delaware corporation and wholly-owned subsidiary of Air Products and Chemicals, Inc. CoGen II is a Delaware corporation and a wholly-owned subsidiary of Rincon Investing Company, which is a wholly-owned subsidiary of Tucson Electric Power Company, an Electric Utility.

The installation of the facility began in the summer of 1986. All other facility's characteristics essentially remain the same.

6. Ultrasystems Development Corp.—Algoma, WV

[Docket No. QF88-112-000]

On November 24, 1987, Ultrasystems Development Corporation (Applicant) of 12500 Fair Lakes Circle, Suite 260, Fairfax, Virginia 22033 submitted for filing an application for certification of a facility as a qualifying small power production facility pursuant to § 292.207 of the Commission's regulations. No determination has been made that the submittal constitutes a complete filing.

The small power production facility will be located at Algoma, Wyoming County, West Virginia. The facility will consist of a fluidized bed combustion boiler, an extraction/condensing steam turbine generator, and related auxiliary equipment. Applicant states that the primary energy source of the facility will be "waste" in the form of bituminous coal refuse. The net electric power production capacity of the facility will be 50 megawatts. The electric power produced by the facility will be wheeled to the Virginia Power Company.

Ultrasystems Development Corp.—Big Rock, VA

[Docket No. QF88-136-000]

On December 2, 1987, Ultrasystems Development Corporation (Applicant) of 12500 Fair Lakes Circle, Suite 260, Fairfax, Virginia 22033 submitted for filing an application for certification of a facility as a qualifying small power production facility pursuant to § 292.207 of the Commission's regulations. No determination has been made that the submittal constitutes a complete filing.

The small power production facility will be located at Big Rock, Buchanan County, Virginia. The facility will consist of a fluidized bed combustion boiler, an extraction/condensing steam turbine generator, and related auxiliary equipment. Applicant states that the primary energy source of the facility will be "waste" in the form of bituminous coal refuse. The net electric power production capacity of the facility will be 50 megawatts. The electric power produced by the facility will be wheeled to the Virginia Power Company.

Ultrasystems Development Corp.—Energy Mountain Facility—Tucker County, WV

[Docket No. QF88-113-000]

On November 24, 1987, Ultrasystems Development Corporation (Applicant) of 12500 Fair Lakes Circle, Suite 260, Fairfax, Virginia 22033 submitted for filing an application for certification of a facility as a qualifying small power production facility pursuant to § 292.207 of the Commission's regulations. No determination has been made that the submittal constitutes a complete filing.

The small power production facility will be located in Tucker County, West Virginia. The facility will consist of a fluidized bed combustion boiler, an extraction/condensing steam turbine generator, and related auxiliary equipment. Applicant states that the primary energy source of the facility will be "waste" in the form of bituminous coal refuse. The net electric power production capacity of the facility will be 50 megawatts. The electric power produced by the facility will be wheeled to the Virginia Power Company.

Standard Paragraph

E. Any person desiring to be heard or to protest said filing should file a motion to intervene or protest with the Federal Energy Regulatory Commission, 825 North Capitol Street, NE., Washington, DC 20426, in accordance with Rules 211 and 214 of the Commission's Rules of Practice and Procedure (18 CFR 385.211 and 385.214). All such motions or protests should be filed on or before the comment date. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a motion to intervene. Copies of this filing are on file with the Commission and are available for public inspection.

Lois D. Cashell,

Acting Secretary.

[FR Doc. 87-29546 Filed 12-23-87; 8:45 am]

BILLING CODE 6717-01-M

[Docket No. GP88-4-000]

Barnhart Co.; Petition for Declaratory Order

December 21, 1987.

Take notice that on November 2, 1987, Barnhart Co. (Barnhart) filed with the Commission pursuant to Rule 207 of the Commission's rules of practice and procedure a petition for a declaratory order. Barnhart asks that the Commission remove uncertainty by declaring that the NGPA section 102(c) well determination for Barnhart's Wilmont #1 well, Katy S. (First Wilcox) Field, Waller and Fort Bend Counties, Texas is final and cannot be reopened based on a subsequent state pooling order.

In support of its petition, Barnhart states that on March 18, 1982, it filed with the Railroad Commission of Texas

(Texas) an application for a section 102(c) or, alternatively, a section 103 determination for production from the Wilmot #1 well. Barnhart states that its application acknowledged awareness of a separate proceeding before Texas where another company proposed that the Katy S. (First Wilcox) Field and the Katy (First Wilcox) Field be combined. Barnhart states that it indicated to Texas that a scheduled hearing might affect on its section 102 application; however, no final action was taken before Texas granted the section 102(c) and 103 well determinations on August 16, 1982. Barnhart states that these determinations were forwarded to the Commission and became final on October 24, 1982.

On June 23, 1983 (effective July 1, 1983), Texas issued an order determining that the Katy and Katy S. Fields were to be combined and designated as a single field called the Katy Field. Barnhart believes that if the Katy S. and Katy Fields had been designated as a single field before the determinations were granted, commercial production from the Katy Field prior to April 20, 1977, may have disqualified the Wilmot #1 from receiving a section 102(c) determination. However, because the determination was made on the basis that the two fields were separate, Barnhart argues that the section 102(c) determination should be deemed final, since Texas did not rely on any untrue statements of material fact nor were any material facts omitted from its application. Barnhart cites *Petroleum Management Inc.*, 19 FERC ¶61,322 (1982) and *Mobil Oil Exploration and Producing Southeast, Inc., et al.*, 34 FERC ¶ 61,359 (1986) as support for its request that the Commission declare the subject well category determination final and not subject to reopening. Barnhart argues that the Commission declared in those cases that information which becomes available subsequent to a final well category determination is not relevant where the applications are correct and complete at the time of the determination. Barnhart claims that, as in *Petroleum Management*, and *Mobil, et al.*, reopening of the Wilmot #1 well determination is not required by the NGPA or applicable Commission regulations and to do so would be unreasonable and unfair.

Any person desiring to be heard or to protest this petition should file a motion to intervene or protest in accordance with Rule 211 and 214 of the Commission's rules of practice and procedure. All motions to the intervene or protests should be submitted to the Federal Energy Regulatory Commission, 825 North Capitol Street NE., Washington, DC 20426 not later than 30 days after publication of this notice in the **Federal Register**. All protests filed will be considered, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a motion to intervene in accordance with Rule 214. Copies of the petition filed in this proceeding are on file with the Commission and available for public inspection.

Lois D. Cashell,

Acting Secretary.

[FR Doc. 87-29548 Filed 12-23-87; 8:45 am]

BILLING CODE 6717-01-M

Citizens Utilities Co.; Application

[Docket No. ES88-22-000]

December 18, 1987.

Take notice that on December 9, 1987, Citizens Utilities Company (Applicant) filed an application pursuant to section 204 of the Federal Power Act seeking an order authorizing the issuance of not more than $100,000,000 of commercial paper and other unsecured promissory notes from time to time on or before January 20, 1990, with final maturities no later than January 19, 1991.

Any person desiring to be heard or to protest said filing should file a motion to intervene or protest with the Federal Energy Regulatory Commission, 825 North Capitol Street, NE., Washington, DC 20426, in accordance with Rules 211 and 214 of the Commission's Rules of Practice and Procedure (18 CFR 385.211 and 385.214). All such motions or protests should be filed on or before January 7, 1988. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make the protestants parties to the proceeding. Any persons wishing to become a party must file a motion to intervene. Copies of this filing are on file with the Commission and are available for public inspection.

Lois D. Cashell,

Acting Secretary.

[FR Doc. 87-29434 Filed 12-23-87; 8:45 am]

BILLING CODE 6717-01-M

[Docket No. RP88-40-000]

Mountain Fuel Resources, Inc.; Tariff Filing

December 18, 1987.

Take notice that on December 14, 1987, Mountain Fuel Resources, Inc. (MFR), pursuant to 18 CFR 154.63, tendered for filing and acceptance First Revised Sheet Nos. 18, 26, 27, and 30 to its FERC Gas Tariff, Original Volume No. 2.

MFR states that the purpose of this filing is to update its S-1 Rate Schedule under which storage service is provided to Northwest Pipeline Corporation (Northwest) at MFR's Clay Basin Storage Field (Clay Basin) located in Daggett County, Utah. Changes reflect (1) an amended method of calculating the general plant allowance which is a portion of the monthly demand charge billed to Northwest under Rate Schedule S-1, (2) a four percent increase in the injection and withdrawal fees at Clay Basin assessed by the United States Department of the Interior, and (3) the addition of a provision to allow MFR to withdraw storage gas for Northwest during the injection period. MFR states that the amended method of calculating the general plant allowance will reduce the 1987 demand charge to Northwest under Rate Schedule S-1 by approximately $124,000.

MFR requests waiver of the notice requirements under 18 CFR 154.22 to allow the tendered tariff sheets to be effective February 23, 1985 (First Revised Sheet No. 18), June 1, 1986 (First Revised Sheet Nos. 26 and 27), and January 1, 1987 (First Revised Sheet No. 30).

Copies of the filing were served on Northwest and on the Public Service Commissions of Utah and Wyoming.

Any person desiring to be heard or to protest said filing should file a motion to intervene or a protest with the Federal Energy Regulatory Commission, 825 North Capitol Street NE., Washington, DC 20426, in accordance with Rules 211 and 214 of the Commission's Rules of Practice and Procedure (18 CFR 385.211, 385.214). All such motions or protests should be filed on or before December 28, 1987. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a motion to intervene. Copies of this filing are on file with the Commission and are available for public inspection.

Lois D. Cashell,

Acting Secretary.

[FR Doc. 87-29547 Filed 12-23-87; 8:45 am]

BILLING CODE 6717-01-M

[Docket No. CI61-945-000 et al.]

Pennzoil Products Co.; Application

December 21, 1987.

Take notice that on December 10, 1987, Pennzoil Products Company (Products), of P.O. Box 2967, Houston, Texas 77252-2967, filed an application pursuant to § 154.92(d) of the Commission's Regulations, requesting authorization to continue certain sales of natural gas in interstate commerce previously made by Pennzoil Company (Pennzoil) under the certificates of public convenience and necessity granted in the dockets shown on the attached Appendix. Products also requests that Pennzoil Company's rate schedules be redesignated as those of Pennzoil Products Company. This application is on file with the Commission and open to public inspection.

By Deed, Assignment and Conveyance dated October 28, 1986, and made effective November 1, 1986, Pennzoil assigned to Products certain real property interests in the State of West Virginia.

Any person desiring to be heard or to make any protest with reference to said applications should on or before January 6, 1988, file with the Federal Energy Regulatory Commission, Washington, DC 20426, a petition to intervene or a protest in accordance with the requirements of the Commission's Rules of Practice and Procedure (18 CFR 385.211, .214). All protests filed with the Commission will be considered by it in determining the appropriate action to be taken but will not serve to make the protestants parties to the proceeding. Any person wishing to become a party in any proceeding herein must file a petition to intervene in accordance with the Commission's rules.

Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicants to appear or to be represented at the hearing.

Lois D. Cashell,

Acting Secretary.

Appendix

Docket No.	R. S. #	Purchaser	Contract date
CI61-945	8	Carnegie Natural Gas Company	2/15/57
CI61-945	9	Carnegie Natural Gas Company	2/23/56
G-7004	10	Consolidated Gas Transmission Corp.	8/19/76
G-7004	12	Equitable Gas Company	6/25/75
CI68-1419	19	Columbia Gas Transmission Corp.	3/01/68
CI68-1450	20	Columbia Gas Transmission Corp.	3/04/68
CI69-134	21	Columbia Gas Transmission Corp.	7/16/68
CI70-1064	25	Columbia Gas Transmission Corp.	8/22/69
CI70-1063	26	Columbia Gas Transmission Corp.	3/03/69
CI71-123	27	Columbia Gas Transmission Corp.	7/29/68
CI73-524	38	Equitable Gas Company	12/04/72
CI76-344	44	Columbia Gas Transmission Corp.	12/02/75
CI82-274	47	Columbia Gas Transmission Corp.	6/22/64
CI82-273	48	Columbia Gas Transmission Corp.	8/24/60

[FR Doc. 87-29549 Filed 12-23-87; 8:45 am]

BILLING CODE 6717-01-M

ENVIRONMENTAL PROTECTION AGENCY

[ER-FRL-3306-4]

Environmental Impact Statements and Regulations; Availability of EPA Comments

Availability of EPA comments prepared December 7, 1987 through December 11, 1987 pursuant to the Environmental Review Process (ERP), under section 309 of the Clean Air Act and section 102(2)(c) of the National Environmental Policy Act as amended. Requests for copies of EPA comments can be directed to the Office of Federal Activities at (202) 382-5075/76.

An explanation of the ratings assigned to draft environmental impact statements (EISs) was published in FR dated April 24, 1987 (52 FR 13749).

Draft EISs

ERP No. D-AFS-L65108-OR, Rating EC2, Malheur National Forest, Land and Resource Management Plan, Implementation, Grant, Malheur, Baker and Harney Counties, OR.

Summary: EPA had concerns regarding: insufficient presentation of existing conditions; inadequate protection standards relating to fish habitat, riparian areas, water, soil and air; lack of a clear commitment that activities unable to meet the adopted standards would not be allowed to occur unmodified; insufficient analysis of risks to water quality and beneficial uses caused by stream sedimentation from planned activities; lack of any monitoring plan proposed from water quality and soils; and insufficient monitoring plans proposed for fisheries and riparian areas.

ERP No. D-BLM-K61087-00, Rating EC2, Yuma District Wilderness Study Areas, Wilderness Designation, Recommendation, Havaru and Yuma Resource Areas, LaPaz, Mohave and Yuma Counties, AZ and Imperial, Riversisde, and San Bernardino Counties, CA.

Summary: EPA supports BLM's decision to recommend full or partial wilderness designation for 12 of 22 wilderness study areas. However, EPA expressed concern over impacts to water quality from projected motorized vehicle use within the areas.

ERP No. D-BLM-L70009-AK, Rating EC2, Utility Corridor Planning Area Resource Management Plan and Central Arctic Management, WSA Recommendations, Implementation, AK.

Summary: EPA had no objections to the Central Arctic Management Area Wilderness Study. EPA expressed environmental concerns about the preferred alternative for the resource management plan (RMP). Degradation of water quality from nonpoint sources, impacts to beneficial uses of rivers and streams, adverse effects on wildlife and wildlife habitat, and restrictions of subsistence use streams could result from the activities managed by BLM. EPA recommended consideration of a new alternative that combines features of the preferred alternative and the environmental protection aspects of Alternative B.

ERP No. DS-COE-K32038-CA, Rating 3, Oakland Outer and Inner Harbors, Deep Draft Navigation Improvements,

Alcatraz Dredge Material Disposal Site Changed Conditions, Implementation, Alameda County, CA.

Summary: EPA rated the document inadequate because of potential sediment toxicity; lack of thorough characterization of the project site; lack of baseline information for the proposed ocean disposal site; and the preferred alternative's potential adverse impacts on San Francisco Bay and oceanic living resources from dredging and dumping activities.

ERP No. D-COE-K34006-CA, Rating EO2, New San Clemente Project, Carmel River Dam Construction, 404 Permit, Monterey County, CA.

Summary: EPA expressed environmental objections because the proposed project fails to comply with Clean Water Act, section 404(b)(1) Guidelines. EPA stated that the document did not adequately assess alternatives to a Carmel River reservoir; did not fully consider less-damaging, practicable alternatives; and did not commit to specific mitigation measures. EPA suggested that COE prepare a new draft EIS that would demonstrate compliance with the CWA and more adequately discuss the project's environmental impacts.

Note.—The above summary should have appeared in the 12-18-87 FR Notice.

ERP No. D-IBR-G28012-TX, Rating EC2, San Jacinto River Basin Water Supply Project, Municipal and Industrial Water Use, Implementation, Montgomery, Harris, Grimes, Walker, San Jacinto, Fort Bend and Liberty Counties, TX.

Summary: EPA believes that mitigation for the unavoidable loss of wetlands should be presented in the draft EIS and suggests such measures be incorporated into the recommended mitigation plan. Also, EPA requests information addressing methods to control aquatic weeds and the impacts on water quality.

Final EISs

ERP No. F-AFS-K65073-AZ, Apache-Sitgreaves National Forest, Land and Resource Management Plan, Implementation, Apache, Coconino, Greenlee and Navajo Counties, AZ.

Summary: EPA supports the plan as proposed. Further, EPA commends the commitment to provide better protection for riparian resources, thus improving and protecting water quality and protecting beneficial uses such as coldwater fisheries.

ERP No. F-AFS-K65105-CA, Angeles National Forest, Land and Resource Management Plan, Implementation, Los Angeles Ventura and San Bernardino Counties, CA.

Summary: EPA commends the commitment to protect riparian resources and to better manage off-road vehicle use, but requests that increased grazing allotments be deferred pending adequate baseline data on riparian and aquatic resources.

ERP No. F1-BLM-K65065-NV, Walker Resource Area, Wilderness Recommendations Designation or Nondesignation, Gabbs Valley Range and Burbank Canyon WSA's, Mineral and Douglas Counties, NV.

Summary: EPA is concerned that the document does not adequately identify environmental impacts from mineral exploration activities and off-road vehicle use under the "no wilderness" alternative.

ERP No. F-COE-G30011-LA, West Bank of the Mississippi River Hurricane Surge Protection, New Orleans Vicinity, Implementation, Funding, Jefferson Parish, LA.

Summary: EPA maintains its previous position that the V-levee south plan would result in unacceptable degradation to nationally significant environmental resources and reiterated that construction by the COE within the Bayou aux Carpes site is unauthorized and prohibited as set forth in the Agency's section 404 C Determination of October 1985. EPA continues to stress that more environmentally acceptable alternatives to accomplish the planning objectives of the proposed hurricane protection are available. EPA does not object to the V-levee north and/or would support the Modified Development Area Plan.

ERP No. F-ERA-B08002-00, New Hampshire/Hydro-Quebec 450 kV Transmission Line, Interconnection Phase II, Construction and Operation, 404 Permit, Amendment to Presidential Permit PP-76, Town of Monroe, New Hampshire and Town of Groton, MA.

Summary: EPA has no objections to the proposed project at this time. However, EPA will continue to pursue measures to reduce impacts to special aquatic sites, and to pursue compensatory wetland mitigation for unavoidable wetland impacts. EPA believes that efforts to reduce wetland impacts and develop adequate wetland mitigation can be concluded to our mutual satisfaction during the ongoing 404 Permit review process.

ERP No. F-FHW-F40285-MN, MN-Forest Highway-11 Construction, St. Louis CSAH-10 and St. Louis CR-565 in Hoyt Lake to TH-61 in Silver Bay, 404 Permit, Funding, Lake and St. Louis Counties, MN.

Summary: While EPA normally recommends that the alternative impacting or taking the least amount of wetlands be the one chosen for implementation. We would consider the preferred alignment acceptable as long as adequate mitigation for wetlands losses is incorporated into the final project design. Because EPA will be involved in reviewing the Section 404 permit application for this project, the ROD should stipulate that EPA will be involved in the development of the plans for wetlands mitigation.

ERP No. F-OSM-L01005-WA, Black Diamond Petition Area, Designation of Lands Suitable for Surface Coal Mining Operations, King County, WA.

Summary: Review of the final EIS has been completed and the project found to be satisfactory. EPA made no formal comments.

ERP No. F-SFW-L64037-AK, Innoko National Wildlife Refuge, Comprehensive Conservation Management Plan, Wilderness Review, Implementation, AK.

Summary: We have no objection to the project as described, based in part, on the assumption that the needed funding will become available to enact necessary management activities.

Dated: December 21, 1987.

William D. Dickerson,

Deputy Director, Office of Federal Acitivites.

[FR Doc. 87-29558 Filed 12-23-87; 8:45 am]

BILLING CODE 6560-50-M

[ER-FRL-3306-3]

Environmental Impact Statements; Availability

Responsible Agency: Office of Federal Activities, General Information (202) 382-5073 or (202) 382-5075.

Avialability lf Environmental Impact Statements filed December 14, 1987 thorugh December 18, 1987 Pursuant to 40 CFR 1506.9.

EIS No. 870442, Draft, FGW NB Van Dorn Street Connection, NB-2/10th Street to US-77/West Bypass, Construction, Lancaster County, Due: February 8, 1988, Contact: Philip Barnes (402) 437-5521.

EIS No. 870443, Final, FHW, MI, I-96 BL/Cedar Street Improvement, Cloverland Drive to Mt. Hope, Reconstruction and Right-of-Way Acquisition, Ingham County, Due: January 25, 1988, Contact: Thomas Fort, Jr. (517) 337-1879.

EIS No. 870444, Final, BLM CO, Canon City District WSA's Recommendations, Wilderness Designation of Nondesignation, Due:

January 25, 1988, Contact: Donnie Sparks (303) 275–0631.

EIS No. 870445, Final, BLM, MT, Missouri Breaks Wilderness Study Areas Recommendations, Wilderness Designation of Nondesignation, Due: January 25, 1988, Contact: Mat Millebach (406) 232–4331.

EIS No. 870446, Draft, AFS, OR, Williamette National Forest, Land and Resource Management Plan, Due: March 31, 1988, Contact: Michael Kerrick (503) 687–6521.

EIS No. 870447, Final FRC, AZ, CA, UT, TX, WY, NM, NV, CO, Mojave, Kern River, El Dorado and Transwestern National Gas Pipeline Projects, Construction, Operation and Maintenance, Licenses and 404 Permit, Due: January 25, 1988, Contact: Robert Arvedlund (202) 357–9043.

EIS No. 870448, Final UAF, CA, Vandenburg Air Force Base Mineral Resource Management Plan, Exploration, Development and Production of Oil and Gas Resources, Santa Barbara County, Due: January 25, 1988, Contact: William Newell (805) 866–5725.

Amended Notices

EIS No. 870113, Draft, MMS, PAC, HI, Hawaiian Archipelago and Johnston Island Exclusive Economic Zones, Marine Mineral (Non-Oil and Gas Minerals) Sale Leasing, Due: February 8, 1988, Published FR 4–10–78—Review period reopened.

EIS No. 870383, Final, COE, TX, Trinity River and Tributaries Flood Plain Development Project, Issuance of Permits, Due: January 31, 1988, Published FR 11–6–87—Review period extended.

EIS No. 870409, Draft, FRC, CA, El Portal Hydroelectric Project, Construction, Operation and Maintenance, License, Mariposa County, Due: December 28, 1987, Published FR 11–13–87—Officially withdrawn.

EIS No. 870433, Draft, FRC, ID, Twin Falls (FERC No. 18), Milner (FERC No. 2899), Auger Falls (FERC No. 4797) and Star Falls (FERC No. 5797) Hydroelectric Projects, Construction, Operation and Maintenance Licenses, Jerome and Twin Falls Counties, Due: February 1, 1988, Published FR 12–11–87—Rivew period reestablished.

Dated: December 21, 1987.

William D. Dickerson,

Deputy Director, Office of Federal Activities.

[FR Doc. 87–28559 Filed 12–23–87; 8:45 am]

BILLING CODE 6560–50–M

[FRL–3305–2]

Work Group Meeting; Indian Tribes and States; Water Quality Standards

AGENCY: United States Environmental Protection Agency.

ACTION: Work group meeting.

SUMMARY: Pursuant to section 518 of the Water Quality Act of 1987, EPA is authorized to treat Indian Tribes as States for various purposes specified in the Clean Water Act and is required to establish a mechanism to resolve unreasonable consequences arising from Tribes and States adopting differing water quality standards on common bodies of water. EPA will hold a work group meeting to discuss its proposed regulatory revision to establish such a dispute resolution mechanism.

DATE: January 26, 1988, EPA Regional Office, 999 18th St., Denver, Colorado, Rocky Mountain Room. The meeting will begin at 8:30 a.m.

FOR FURTHER INFORMATION CONTACT: Information on the meeting and copies of the material to be discussed are available from David K. Sabock, Chief, Standards Branch, WH–585, Office of Water Regulations and Standards, 401 M Street SW., Washington, DC 20460. Telephone number is 202–475–7315.

Edmund Notzon,

Director, Criteria and Standards Division.

December 17, 1987.

[FR Doc. 87–29371 Filed 12–23–87; 8:45 am]

BILLING CODE 6560–50–M

EXPORT-IMPORT BANK OF THE UNITED STATES

[Public Notice 9]

Agency Forms Submitted for OMB Review

AGENCY: Export-Import Bank of the United States.

ACTION: In accordance with the provisions of the Paperwork Act of 1980, Eximbank has submitted a proposed collection of information in the form of a survey to the Office of Management and Budget for Review.

Purpose: The proposed Annual Competitiveness Report Survey of Exporters and Bankers as authorized by 12 U.S.C. 635(b), Export-Import Bank of the U.S. Act of 1945, as amended, is to be completed by U.S. banks and exporters familiar with Eximbank's programs as a means of evaluating the private sector's view on the extent to which Eximbank has provided export credit programs competitive with the export credit programs offered by the major foreign OECD governments.

The collection of the information will enable Eximbank to assess and report to the U.S. Congress the private sector's view of its programs' competitiveness, as required by law.

SUMMARY: The following summarizes the information collection proposal submitted to OMB:

(1) *Type of request:* revision.

(2) *Number of forms submitted:* one.

(3) *Form number:* EIB No. 85–3 (Rev. 12/87).

(4) *Title of information collection:* Annual Competitiveness Report Survey to Exporters and Bankers.

(5) *Frequency of use:* annual.

(6) *Respondents:* commercial banks and exporters in the United States.

(7) *Estimated total number of responses:* 80.

(8) *Estimated total number of hours needed to fill out the form:* 60.

Additional Information or Comments: Copies of the proposed survey may be obtained from Helene Wall, Agency Clearance Officer (202) 566–8111. Comments and questions should be directed to Francine Picoult, Office of Management and Budget, Information and Regulatory Affairs, Room 3235, Washington, DC 20503, (202) 395–7340. All comments should be submitted within two weeks of the date of this notice; if you intend to submit comments but are unable to meet this deadline, please advise Francine Picoult by telephone that comments will be submitted late.

Dated: December 2, 1987.

Helene Wall,

Agency Clearance Officer.

[FR Doc. 87–29440 Filed 12–23–87; 8:45 am]

BILLING CODE 6690–01–M

FEDERAL EMERGENCY MANAGEMENT AGENCY

Agency Information Collection Submitted to Office of Management and Budget for Clearance

The Federal Emergency Management Agency (FEMA) has submitted to the Office of Management and Budget the following information collection package for clearance in accordance with the Paperwork Reduction Act (44 U.S.C. Ch. 35).

Type: Extension of 3067–0044.

Title: Request for Grant-in-Lieu.

Abstract: This form is designed to standardize the information requirements for an applicant who decides to receive a grant-in-lieu for damages.

Type of Respondents: State or local governments, Non-profit institutions.
Number of Respondents: 500.
Burden Hours: 500.
Frequency of Recordkeeping or Reporting: On occasion.

Copies of the above information collection request and supporting documentation can be obtained by calling or writing the FEMA Clearance Officer, Linda Shiley, (202) 646–2624, 500 C Street SW., Washington, DC 20472.

Comments should be directed to Francine Picoult, (202) 395–7231, Office of Management and Budget, 3235 NEOB, Washington, DC 20503 within two weeks of this notice.

Wesley C. Moore,
Director, Office of Administrative Support.
[FR Doc. 87–29484 Filed 12–23–87; 8:45 am]
BILLING CODE 6718–21–M

FEDERAL MARITIME COMMISSION

Agreements Filed

The Federal Maritime Commission hereby gives notice of the filing of the following agreement(s) pursuant to section 5 of the Shipping Act of 1984.

Interested parties may inspect and obtain a copy of each agreement at the Washington, DC Office of the Federal Maritime Commission, 1100 L Street NW., Room 10325. Interested parties may submit comments on each agreement to the Secretary, Federal Maritime Commission, Washington, DC 20573, within 10 days after the date of the **Federal Register** in which this notice appears. The requirements for comments are found in § 572.603 of Title 46 of the Code of Federal Regulations. Interested persons should consult this section before communicating with the Commission regarding a pending agreement.

Agreement No.: 202–005200–053
Title: Pacific Coast European Conference
Parties: Compagnie Generale-Maritime
Hapag-Lloyd AG
Incotrans B.V.
Johnson Scanstar
Sea-Land Service, Inc.
Synopsis: The proposed amendment would clarify that no member line may enter into any loyalty contract in the agreement trade whether through independent action or otherwise.

Agreement No.: 202–009735–020
Title: Steamship Operators Intermodal Committee
Parties:
Associated Container Transportation (Australia Ltd.)
Barber Blue Sea Line
Companhia de Navegacao Maritima Netumar
Coordinated Caribbean Transport, Inc.
Evergreen Marine Corp., Ltd.
Farrell Lines, Inc.
Flota Mercante Grancolombiana
Hamburg-Suedamerikknische-Dampfschiffahrts-Gesellschaft
Japan Line, Ltd.
Kawasaki Kisen Kaisha, Ltd.
Lykes Bros. Steamship Co., Inc.
A.P. Moller-Maersk Line
Neptune Orient Lines Ltd.
Nippon Yusen Kaisha, Ltd.
Sea-Land Service, Inc.
South African Marine Corp.
Venezuelan Line
Yamashita-Shinnihon Steamship Co. Ltd.
Yang Ming Line
Zim Israel Navigation Co. Ltd.
American President Lines, Ltd.
Mitusi O.S.K. Lines, Ltd.
Showa Line, Ltd.
Trans Freight Lines
Atlantic Container Line (BV)
Synopsis: The proposed amendment would delete United States Lines, Inc. as a party to the agreement.

Agreement No.: 212–010320–016
Title: Brazil/U.S. Gulf Ports Agreement
Parties:
Companhia de Navegacao Lloyd Brasileiro
Companhia Maritima Nacional
American Transport Lines, Inc.
Empresa Lineas Maritimas Argentinas S.A.
A. Bottacchi S.A. de Navegacion C.F.I.I.
Transportacion Maritima Mexicana S.A.
Synopsis: The proposed amendment would provide for a 15 month pool period beginning October 1, 1987 through December 31, 1988, and would establish minimum sailing and port call requirements for the pool period. It would also extend toDecember 31, 1988, provisions governing the accounting for U.S. Gulf cargoes under alternate coast service, and certain cargo and accounting provisions related thereto. The parties have requested a shortened review period.

Agreement No.: 203–011160
Title: U.S.-North Europe Compliance Agreement
Parties:
Atlantic Container Line BV
Compagnie Generale Maritime
Dart-ML, Ltd.
Gulf Container Line "GCL" BV
Hapag-Lloyd A.G.
Johnson Scanstar
Nedlloyd Lijnen
Pacific Europe Express
P & OCL "Trans Freight Lines" Limited
Polish Ocean Lines
Sea-Land Service, Inc.
South Atlantic Cargo Shipping NV
Synopsis: The proposed agreement would provide for neutral body policing of the activities of the parties in the trades between the United States and Northern Europe. The parties have requested a shortened review period.

By Order of the Federal Maritime Commission.

Dated: December 21, 1987.

Joseph C. Polking,
Secretary.
[FR Doc. 87–29541 Filed 12–23–87; 8:45 am]
BILLING CODE 6730–01–M

Agreements Filed

The Federal Maritime Commission hereby gives notice of the filing of the following agreement(s) pursuant to section 5 of the Shipping Act of 1984.

Interested parties may inspect and obtain a copy of each agreement at the Washington, DC Office of the Federal Maritime Commission, 1100 L Street, NW., Room 10325. Interested parties may submit comments on each agreement to the Secretary, Federal Maritime Commission, Washington, DC 20573, within 10 days after the date of the **Federal Register** in which this notice appears. The requirements for comments are found in § 572.603 of Title 46 of the Code of Federal Regulations. Interested persons should consult this section before communicating with the Commission regarding a pending agreement.

Agreement No.: 224–200076.
Title: Port Everglades Terminal Agreement.
Parties:
Port Everglades Authority
SeaEscape Limited (SeaEscape)
Synopsis: The proposed agreement would (1) provide SeaEscape port and terminal facilities on a preferential basis for the operation of its cruise vessel; and (2) authorize the parties to agree upon charges to be assessed for the terminal services.

Agreement No.: 224–200077.
Title: Virginia International Terminals' Agreement.
Parties:
Virginia International Terminals, Inc.
Mitsui O.S.K. Lines, Ltd.
Nippon Yusen Kaisha
Yamashita-Shinnihon Steamship Co.,

Ltd.

Synopsis: The proposed agreement provides for non-exclusive use of terminal facilities and for specified reduced wharfage, dockage and crane rental rates in return for certain threshold tonnage levels.

Joseph C. Polking,

Secretary.

Dated: December 21, 1987.

[FR Doc. 87-29478 Filed 12-23-87; 8:45 am]

BILLING CODE 6730-01-M

FEDERAL RESERVE SYSTEM

Harris Bankshares, Inc.; Formation of, Acquisition by, or Merger of Bank Holding Companies

The company listed in this notice has applied for the Board's approval under section 3 of the Bank Holding Company Act (12 U.S.C. 1842) and § 225.14 of the Board's Regulation Y (12 CFR 225.24) to become a bank holding company or to acquire a bank or bank holding company. The factors that are considered in acting on the applications are set forth in section 3(c) of the Act (12 U.S.C. 1842(c)).

The application is available for immediate inspection at the Federal Reserve Bank indicated. Once the application has been accepted for processing, it will also be available for inspection at the offices of the Board of Governors. Interested persons may express their views in writing to the Reserve Bank indicated for that application or to the offices of the Board of Governors. Any comment on an application that requests a hearing must include a statement of why a written presentation would not suffice in lieu of a hearing, identifying specifically any questions of fact that are in dispute and summarizing the evidence that would be presented at a hearing.

Comments regarding this application must be received not later than January 15, 1988.

A. **Federal Reserve Bank of Dallas** (W. Arthur Tribble, Vice President), 400 South Akard Street, Dallas, Texas 75222:

1. *Harris Bankshares, Inc.*, Milford, Texas; to become a bank holding company by acquiring 100 percent of the voting shares of Ellis County State Bank, Milford, Texas.

Board of Governors of the Federal Reserve System, December 18, 1987.

James McAfee,

Associate Secretary of the Board.

[FR Doc. 87-29430 Filed 12-23-87; 8:45 am]

BILLING CODE 6210-01-M

Valley Bancorporation; Application To Engage de Novo in Permissible Nonbanking Activities

The company listed in this notice has filed an application under § 225.23(a)(1) of the Board's Regulation Y (12 CFR 225.23(a)(1)) for the Board's approval under section 4(c)(8) of the Bank Holding Company Act (12 U.S.C. 1843(c)(8)) and § 225.21(a) of Regulation Y (12 CFR 225.21(a)) to commence or to engage de novo, either directly or through a subsidiary, in a nonbanking activity that is listed in § 225.25 of Regulation Y as closely related to banking and permissible for bank holding companies. Unless otherwise noted, such activities will be conducted throughout the United States.

The application is available for immediate inspection at the Federal Reserve Bank indicated. Once the application has been accepted for processing, it will also be available for inspection at the offices of the Board of Governors. Interested persons may express their views in writing on the question whether consummation of the proposal can "reasonably be expected to produce benefits to the public, such as greater convenience, increased competition, or gains in efficiency, that outweigh possible adverse effects, such as undue concentration of resources, decreased or unfair competition, conflicts of interests, or unsound banking practices." Any request for a hearing on this question must be accompanied by a statement of the reasons a written presentation would not suffice in lieu of a hearing, identifying specifically any questions of fact that are in dispute, summarizing the evidence that would be presented at a hearing, and indicating how the party commenting would be aggrieved by approval of the proposal.

Unless otherwise noted, comments regarding the application must be received at the Reserve Bank indicated or the offices of the Board of Governors not later than January 4, 1988.

A. **Federal Reserve Bank of Chicago** (David S. Epstein, Vice President), 230 South LaSalle Street, Chicago, Illinois 60690:

1. *Valley Bancorporation*, Appleton, Wisconsin; to engage *de novo* in underwriting, as reinsurer, home mortgage redemption insurance pursuant to section 225.25(b) of the Board's Regulation Y.

Board of Governors of the Federal Reserve System, December 18, 1987.

James McAfee,

Associate Secretary of the Board.

[FR Doc. 87-29431 Filed 12-23-87; 8:45 am]

BILLING CODE 6210-01-M

FEDERAL TRADE COMMISSION

Performance Review Board; Membership

AGENCY: Federal Trade Commission.

ACTION: Notice of appointment.

SUMMARY: Notice is hereby given that the Chairman of the Federal Trade Commission has made appointments to the agency's Performance Review Board, which makes recommendations to the appointing authority on the performance of senior executives in the agency. The individuals appointed are:

Deputy Executive Director for Management, Office of the Executive Director;

Deputy Director for Operations and Consumer Protection, Bureau of Economics;

Deputy Director for Mergers and Administration, Bureau of Competition;

Deputy General Counsel, Office of the General Counsel; and

Deputy Director, Bureau of Consumer Protection.

DATE: This action is effective as of December 23, 1987.

ADDRESS: Copies of the appointment documentation are available at the following location: Division of Personnel, Federal Trade Commission, Room 151-H, 6th & Pennsylvania Avenue NW., Washington, DC 20580.

FOR FURTHER INFORMATION CONTACT: Rosemarie A Straight, Director of Personnel, at the address above; telephone 202/326-2022, (FTS) 878-2022.

Emily H. Rock,

Secretary.

[FR Doc. 87-29503 Filed 12-23-87; 8:45 am]

BILLING CODE 6750-01-M

GENERAL SERVICES ADMINISTRATION

[Wildlife Order 166; 1-D-MA-787]

Portion, Fort Devens, Harvard, MA; Conveyance of Property

Pursuant to section 2 of Pub. L. 537, 80th Congress, approved May 19, 1948 (16 U.S.C. 667c), notice is hereby given that:

1. By transfer letter from the General Services Administration dated November 9, 1987, the property, consisting of 49 acres of unimproved land, known as a Portion, Fort Devens, Harvard, Massachusetts, has been transferred to the Department of the Interior, U.S. Fish and Wildlife Service.

2. The above described property was conveyed for wildlife conservation in accordance with the provisions of section 1 of said Pub. L. 80-537 (16 U.S.C. 667b), aa amended by Pub. L. 92-432.

Dated: December 11, 1987.

Earl E. Jones,

Commissioner, Federal Property Resources Service.

[FR Doc. 87-29443 Filed 12-23-87; 8:45 am]

BILLING CODE 6820-96-M

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Office of the Secretary

Additions to Senior Executive Service Performance Review Board Membership

Title 5, U.S.C. 4314(c)(4), of the Civil Service Reform Act of 1978, Pub. L. 95-484, requires that the appointment of Performance Review Board members be published in the **Federal Register.**

On September 28, 1987, the Department of Health and Human Services PRB membership was published in the **Federal Register.** The following members are hereby added to that membership: Thomas R. Burke, James F. Dickson III, J. Michael Fitzmaurice.

Dated: December 17, 1987.

Thomas S. McFee,

Assistant Secretary for Personnel Administration.

[FR Doc. 87-29485 Filed 12-23-87; 8:45 am]

BILLING CODE 4110-60-M

Centers for Disease Control

Interagency Committee on Smoking and Health; Meeting

Action: Notice of meeting.

In accordance with section 10(a)(2) of the Federal Advisory Committee Act (5 U.S.C. Appendix 2), the Centers for Disease Control announces the following committee meeting.

Name: Interagency Committee on Smoking and Health.

Time and Date: 9:00 am-4:00 pm—February 18, 1988.

Place: Room 503-A, Hubert H. Humphrey Building, 200 Independence Avenue, SW., Washington, DC 20201.

Status: Open.

Purpose: The Interagency Committee on Smoking and Health advises the Secretary, Department of Health and Human Services, and the Assistant Secretary for Health on the: (a) Coordination of all research and education programs and other activities within the Department and with other Federal, State, local and private agencies, and (b) establishment and maintenance of liaison with appropriate private entities, Federal agencies, and State and local public health agencies, with respect to smoking and health activities.

Agenda: The entire meeting will be open to the public. It will include a discussion of the issue of tobacco and United States trade policy. Agenda items are subject to change as priorities dictate.

Contact Person for More Information: Substantive program information as well as summaries of the meeting and roster of Committee members may be obtained from John Bagrosky, Executive Secretary, Interagency Committee on Smoking and Health, Park Building, Room 1-10, 5600 Fishers Lane, Rockville, Maryland 20857,Telephone: FTS: 443-1575; Commercial: 301/443-1575.

Dated: December 8, 1987.

Elvin Hilyer,

Associate Director for Policy Coordination, Centers for Disease Control.

[FR Doc. 87-29429 Filed 12-23-87; 8:45 am]

BILLING CODE 4160-18-M

Public Meeting Between Centers for Disease Control (CDC) and the Cruise Ship Industry, Private Sanitation Consultants, and Other Interested Parties

Time and Date: 9:00 a.m.—Wednesday, January 20, 1988.

Place: Federal Building, 26 Federal Plaza, Room 305C, New York, New York.

Status: Open to the public for participation, comment, and observation, limited only by space available.

SUPPLEMENTARY INFORMATION: As part of the revised Vessel Sanitation Program. CDC announced its intention to conduct quarterly public meetings with members of the cruise ship industry, private sanitation consultants, and other interested parties. This meeting is a continuation of that series of public meetings.

Matters To Be Considered: Experience to date with the operation of the Vessel Sanitation Program. Analysis of data relating to diarrheal illness occurring on board passenger cruise ships during the period 1975-1985.

For a period of 12 days following the meeting, through February 1, 1988, the official record of the meeting will remain open so that additional material or comments may be submitted to be made part of the record of the meeting.

Contact Person for More Information: Vernon N. Houk, M.D., Director, Center for Environmental Health and Injury Control, CDC, Atlanta, Georgia 30333. Telephones: FTS; 236-4111; Commercial: (404) 488-4111.

Dated: December 18, 1987.

Elvin Hilyer,

Associate Director for Policy Coordination, Centers for Disease Control.

[FR Doc. 87-29428 Filed 12-23-87; 8:45 am]

BILLING CODE 4160-18-M

Public Health Service

National Commission on Orphan Diseases; Public Hearing and Public Meeting

AGENCY: Office of the Assistant Secretary for Health, HHS.

ACTION: Notice.

SUMMARY: The Department of Health and Human Services (DHHS) and the Office of the Assistant Secretary for Health are announcing a hearing and meeting of the National Commission on Orphan Diseases scheduled on February 4 and 5, 1988, respectively.

DATE: *Date, time and place:* Public Hearing on February 4, 1988 at 8:30 a.m., Section E, Reunion Ballroom; Commission meeting on February 5, 1988, 8:30 a.m., Bryan Room; Hyatt Regency at Reunion, 300 Reunion Blvd., Dallas, TX 75207. The entire proceedings are open to the public.

FOR FURTHER INFORMATION CONTACT: Written requests to participate in the public hearing should be sent to: Mary C. Custer, Ph.D., Executive Secretary, National Commission on Orphan Diseases, Office of the Assistant Secretary for Health, 5600 Fishers Lane, Room 18-38, Rockville, MD 20857, 301-443-6156. Persons desiring more information regarding the responsibilities and activities of the Commission should contact Stephen C. Croft, Pharm. D., Executive Director, National Commission on Orphan Diseases, at the same address and phone number.

Agenda: Open Public Hearing (February 4)

The Commission has identified a series of issues and questions to be addressed at the public hearings. These issues were published in the Federal Register notice announcing the Commission's first public hearing (52 FR, page 23083, June 17, 1987). Copies of these issues may be obtained from the contact persons listed above.

Persons desiring to make oral presentations that address these issues should notify either of the contact persons before January 25, 1988 and submit a written copy of the statement to be presented to the Commission. Oral presentations will be limited to ten minutes. Longer presentations should be summarized orally and submitted in writing in their entirety. Any person attending the hearing who did not request an opportunity to speak in advance may be allowed to make an oral presentation at the conclusion of the hearing, if time permits, at the chairperson's discretion.

Persons who are not able to attend the public hearing, but want to submit information, may do so in writing. These statements should be forwarded to the Executive Secretary.

Agenda: Open Public Meeting (February 5)

The Commission will discuss the activities of the National Center for Toxicological Research in relation to pre-clinical trials for potential orphan drugs. The Commission will also hear reports from workgroups on the liability issue and the peer review process for grant applications in the Federal sector. Other workgroups established to review the rare disease research activities of drug and medical device manufacturers, voluntary support groups, and private foundations will also present reports on their progress in obtaining information about their respective areas.

SUPPLEMENTARY INFORMATION: Meetings of the Commission will be conducted, as far as it is practical, in accordance with the agenda published in this **Federal Register** notice. Any changes in the agenda will be announced at the beginning of the meeting.

Persons interested in specific agenda items may contact Mary Custer, Ph.D., Executive Secretary of the Commission, for the approximate time of discussion.

A list of Commission members and the charter of the Commission will be available at the meeting. Interested persons who are unable to attend the meeting may request this information or summary minutes of the meeting from the Executive Secretary.

This notice is issued under 10(a) (1) and (2) of the Federal Advisory Committee Act, Pub. L. 92-463 (5 U.S.C. Appendix I).

Dated: December 17, 1987.

Robert E. Windom,

Assistant Secretary for Health.

[FR Doc. 87-29537 Filed 12-23-87; 8:45 am]

BILLING CODE 4160-17-M

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

Emergency Closure of Public Lands; California

AGENCY: Bureau of Land Management, Interior.

ACTION: Notice of emergency closure of public lands.

SUMMARY: Notice is hereby given that effective immediately all public lands in the SW¼, SW¼ of Section 30, T.5S., R.33E., MDM, located within the fenced exclosure at BLM Spring in the Fish Slough Area of Critical Environmental Concern are closed to swimming and related aquatic activities. The authority for this closure is 43 CFR 8365.1-6. The closure will remain in effect until further notice.

FOR FURTHER INFORMATION CONTACT: James S. Morrison, Area Manager, 873 N. Main Street, Suite 201, Bishop, CA 93514, (619) 872-4881.

Date: December 15, 1987.

Nancy J. Cotner,

Associate District Manager.

[FR Doc. 87-29444 Filed 12-23-87; 8:45 am]

BILLING CODE 4310-40-M

[CA-067-08-4352-12]

Emergency Closure of Public Lands; California

AGENCY: Bureau of Land Management, Interior.

ACTION: Closure notice for public lands in the San Sebastian Marsh/San Felipe Creek Area of Imperial County, California.

SUMMARY: This closure notice affects public lands under the administrative responsibility of the El Centro Resource Area, California Desert District. The area includes public lands in:

San Bernardino Meridian

T. 12 S., R. 9 E.
Sec. 24, north and east of Tarantula Wash, excluding the pole line road
T. 12 S., R. 10 E.
Sec. 14, S½
Sec. 18, S½
Sec. 20
Sec. 22
Sec. 24
Sec. 26, north of Kane Spring Road
Sec. 28
Sec. 30
Sec. 32
T. 12 S., R. 11 E.
Sec. 18, S½
Sec. 20, southwest of Highway 86 and northwest of Kane Spring Road
Sec. 30, north of Kane Spring Road
T. 13 S., R. 9 E.
Sec. 3, north of Kane Spring Road

The above listed public lands are hereby closed to vehicle use and vehicular camping. Persons exempt from this order include law enforcement personnel, and other State or Federal employees in the performance of their official duties.

A smaller closure has been in effect in this area since November 1, 1974. The closed area is being enlarged because the smaller closure has not been adequate in limiting impacts to sensitive biological and cultural resources. Since the 1974 closure, the status of three wildlife species of concern has become increasingly precarious. The desert pupfish has been listed by the U.S. Fish and Wildlife Service as Endangered, with designated Critical Habitat at the San Felipe Creek area. The flat-tailed horned lizard and Colorado Desert fringe-toed lizard have become candidates for USFWS listing. Vehicle use within this sensitive area has increased significantly to unacceptable levels, negatively impacting fish and wildlife habitat as well as individual desert pupfish in contravention of the Bureau's mandates under the Endangered Species Act. The closure boundary is therefore expanded to provide greater protection to sensitive biological resources. Additionally, exceptional cultural resource values have been identified in this area since the 1974 order. Closure to vehicle use and vehicular camping will also limit impacts to cultural resources.

A permanent closure is proposed under the 1987 California Desert Conservation Area Plan amendment process. The effects of this closure are analyzed on pages 4-16 and 4-17 of the Environmental Assessment prepared to support the amendment process.

The closure is being expanded under the authority of 43 CFR 8341.2(a) and 43 CFR 8364.1(a). This closure order was effective December 14, 1987, and shall remain in effect until a final determination has been made through the Desert Plan amendment process. Boundaries of the affected lands have been posted with "Closed Area" signs. Maps showing the location of the

closure are available from the El Centro Resource Area, 333 S. Waterman Avenue, El Centro, California 92243. Any person who knowingly and willfully violates this closure order may be subject to a fine of up to $1,000.00, or imprisonment of up to 12 months, or both under the authority of 43 CFR 8340.0–7 and 43 CFR 8360.0–7

FOR FURTHER INFORMATION CONTACT: California State Office, Bureau of Land Management, 2800 Cottage Way, Room E–2841, Sacramento, California 95825, 916–978–4743, or the Area Manager, El Centro Resource Area, Bureau of Land Management.

H.W. Riecken,

Acting District Manager.

[FR Doc. 87–29445 Filed 12–23–87; 8:45 am]

BILLING CODE 4310–40–M

[MT–921–08–4121–10]

Deactivation of Fort Union Federal Coal Production Region; Request for Public Comment

ACTION: Request for public comment on proposal to deactivate the Fort Union Federal Coal Production Region.

SUMMARY: The Fort Union Regional Coal Team (RCT) requests comments on their recommendation to operate in a Lease by Application mode by January 29, 1988. On November 9, 1979, in the **Federal Register**, the Bureau of Land Management (BLM) established the Fort Union Coal Production Region for management of federally-owned coal (44 FR 65196–65197). Recent assessments by the RCT indicate that existing market conditions do not justify the federally-initiated coal lease sale program procedures of 43 CFR 3420.3–3420.6 Activity Planning—The Leasing Process. On November 5, 1987, the RCT voted to recommend operating in a Lease by Application mode using 43 CFR Part 3425—Leasing on Application Procedures. Before the RCT can operate in a Lease by Application mode, the Fort Union Federal Coal Production Region must be deactivated.

ADDRESS: Comment regarding the RCT's recommendation to operate in a Lease by Application mode should be sent to William J. Frey, Bureau of Land Management, P.O. Box 36800, Billings, MT 59107.

FOR FURTHER INFORMATION CONTACT: William J. Frey, Telephone (406) 657–6841, or FTS 585–6841, Montana State Office, Bureau of Land Management, P.O. Box 36800, Billings, MT 59107.

SUPPLEMENTARY INFORMATION: Comments received by January 29, 1988, will be reviewed and considered by the Fort Union RCT prior to submitting the final recommendations on whether or not to deactivate the Fort Union Coal Production Region. Deactivation of the region will allow the RCT to operate in a Lease by Application mode. The Fort Union Federal Coal Production Region was established by the BLM on November 9, 1979, together with a number of other regions, to implement competitive coal leasing under regulations contained in 43 CFR Part 3420. The Fort Union Coal Region includes the following counties:

Montana

Carter, Custer, Daniels, Dawson, Fallon, Garfield, McCone, Prairie, Richland, Roosevelt, Sheridan, Valley, Wibaux.

North Dakota

Adams, Billings, Bowman, Burke, Burleigh, Divide, Dunn, Golden Valley, Grant, Hettinger, McHenry, McKenzie, McLean, Mercer, Morton, Mountrail, Oliver, Renville, Sheridan, Slope, Stark, Ward, Williams.

The RCT considered current and projected market conditions, potential for emergency leasing, level of industrial interest, and administrative efficiencies prior to making its recommendations not to continue the regional level of activity planning. Production forecasts, as shown in the Fort Union Long Range Coal Market Analysis, range from 24 to 31 million tons annually by the year 2000.

Year	Production estimates [1]		Productive capacity estimates [1]	
	Low	High	Low	Medium
1990	22	25		
1995	23	28	32	32
2000	24	31	34.4	40.6

[1] Millions of tons annually.

The analysis concluded that the productive capacity may be adequate to meet the demand for Fort Union coal at least through 1995, assuming no significant increases occur in coal demand.

Public comments were solicited on the Long Range Market Analysis through the **Federal Register** of September 17, 1987, and a public mailing. Six letters of comment were received from the solicitation. None of the comments challenged the conclusion of the market analysis.

Administrative efficiencies would be enhanced by shifting to the Lease by Application mode. A round of activity planning beginning with a call for expression of leasing interest, and ending with a regional coal lease sale, would take up to 36 months to complete. The processing of a lease application through a lease sale would take about 12 months. A similar savings in preparation cost would be expected.

The Montana State Office reviewed the likely need for emergency leasing of federal coal for existing mines during the next 5 years. It is possible that up to three emergency coal leasing applications could be made containing an estimated 12 million tons of recoverable coal. If emergency lease applications were received, they would likely be for the purpose of preventing the bypass of federal coal for existing mining operations.

If coal market conditions change, and interest in leasing of federal coal is renewed in the region, the coal team has the option of reactivating the Fort Union Federal Coal Production Region. Activity planning, as described in 43 CFR 3420.3–3420.6, would be initiated.

Deactivating the Fort Union Federal Coal Production Region would allow the leasing of federal coal by the Lease by Application procedures in 43 CFR Part 3425—Leasing on Application. In addition, as described in Section c. of the Fort Union Regional Coal Team Charter, the Fort Union Coal Team would review all leasing applications, preference right lease applications and exchange proposals, and call RCT meetings, as necessary, to fully and openly discuss and make recommendations on any that appear to have significant regional implication.

The RCT and those on the Fort Union Coal Region mailing list interested in receiving a notice will receive a notification that an application to lease or exchange Federal coal has been received. Any comments received on the need for an RCT meeting will be analyzed and sent to the RCT members. Within 14 days after issuance of comments to the RCT members, the chairperson (or designated representative) will contact the RCT members to determine if, and when, an RCT meeting is needed. It may not be necessary to convene an RCT meeting on every coal lease application, especially those that do not have regional implications such as small emergency lease applications. At the request of a voting member of the RCT, an RCT meeting will be called.

On activities that appear to have significant regional implications, the coal team would solicit and consider, to the maximum extent possible, the views of the public at each decision point.

The team would guide the preparation of EISs on coal leasing actions that

appear to have significant regional implications.

On an annual basis, the team would review market assessments prepared by the Bureau and recommend whether the region should return to a regional activity planning mode.

Ray Brubaker,

Acting State Director.

[FR Doc. 87-28967 Filed 12-23-87; 8:45 am]

BILLING CODE 4310-DN-M

[CO-050-4332-09]

Availability of Final Environmental Impact Statement for Canon City District, CO

AGENCY: Bureau of Land Management, Interior.

ACTION: Notice of Availability of Final Environmental Impact Statement (EIS) on the Wilderness Recommendations for the Canon City District, Colorado.

SUMMARY: This EIS assesses the environmental consequences of managing seven wilderness study areas (WSAs) as wilderness or nonwilderness. The alternatives analyzed included: (1) An All Wilderness alternative for each WSA; (2) No Wilderness/No Action alternative for each WSA; (3) one or more Partial Wilderness alternatives for each WSA except Browns Canyon (CO-050-002). The names of the WSAs analyzed in the EIS, their total acreage, and the proposed action for each are as follows:

Area	Suitable	Nonsuitable
Browns Canyon (CO-050-002)	6,614	0
McIntyre Hills (CO-050-013)	0	16,800
Lower Grape Creek (CO-050-014)	0	11,220
Beaver Creek (CO-050-016)	20,750	5,400
Upper Grape Creek (CO-050-017)	0	10,200
Sand Castle (CO-050-135)	0	1,644
San Luis Hills (CO-050-141)	0	10,240
Total	27,364	55,504

The Bureau of Land Management wilderness proposals will ultimately be forwarded by the Secretary of the Interior to the President and from the President to the Congress. The final decision on wilderness designation rests with Congress. In any case, no decision on these proposals can be made by the Secretary during the 30 days following the filing of this EIS. This complies with the Council on Environmental Quality Regulations, 40 CFR 1506.10B(2).

SUPPLEMENTARY INFORMATION: A limited number of individual copies of the EIS may be obtained from the District Manager, Canon City District, P.O. Box 311, 3170 East Main Street, Canon City, Colorado 81212. Copies are also available for inspection at the following locations: Department of the Interior, Bureau of Land Management, 18th and C Street NW., Washington, DC 20240, and Bureau of Land Management, Colorado State Office, 2850 Youngfield Street, Lakewood, Colorado 80215.

FOR FURTHER INFORMATION CONTACT: Donnie Sparks, District Manager, Canon City District, P.O. Box 311, 3170 East Main Street, Canon City, Colorado 81212.

Date: December 16, 1987.

Bruce Blanchard,

Director, Office of Environmental Project Review.

[FR Doc. 87-29256 Filed 12-23-87; 8:45 am]

BILLING CODE 4310-JB-M

[MT-930-08-4332-09]

Availability of Final Environmental Impact Statement for Missouri Breaks Wilderness Recommendations; Miles City and Lewistown Districts, MT

AGENCY: Bureau of Land Management, Interior.

ACTION: Notice.

SUMMARY: The Final Missouri Breaks Wilderness Environmental Impact Statement assesses the environmental consequences of managing 12 Wilderness Study Areas as wilderness or nonwilderness. The alternatives assessed include: (1) A "No Wilderness Alternative" for each Wilderness Study Area, (2) an "All Wilderness Alternative" for each Wilderness Study Area, and (3) a "Partial Wilderness Alternative" for 5 of the Wilderness Study Areas.

The names of the Wilderness Study Areas, their total acreages, and the proposed actions for each are as follows:

Dog Creek South—5,150 acres (all nonsuitable)
Stafford—4,800 acres (all nonsuitable)
Ervin Ridge—10,200 acres (all nonsuitable)
Woodhawk—8,100 acres (all nonsuitable)
Cow Creek—34,050 acres (21,590 acres suitable; 12,460 acres nonsuitable)
Antelope Creek—12,350 acres (9,600 acres suitable; 2,750 acres nonsuitable)
Bridge Coulee—5,900 acres (all nonsuitable)
Musselshell Breaks—8,650 acres (all nonsuitable)
Billy Creek—3,450 acres (all nonsuitable)
Seven Blackfoot—20,250 acres (5,710 acres suitable; 14,540 acres nonsuitable)
Burnt Lodge—13,730 acres (all suitable)
Terry Badlands—42,950 acres (28,520 acres suitable; 14,430 acres nonsuitable)

The Bureau of Land Management wilderness proposals will ultimately be forwarded by the Secretary of the Interior and the President to Congress. The final decision on wilderness designation rests with Congress.

FOR FURTHER INFORMATION CONTACT: Mat Millenbach, District Manager, Miles City District Office, BLM, P.O. Box 940, Miles City, Montana 59301, Telephone (406) 232-4331.

SUPPLEMENTAL INFORMATION: Copies of the Environmental Impact Statement may be obtained from the District Manager, Miles City District, Bureau of Land Management, P.O. Box 940, Miles City, Montana 59301. Copies are also available for inspection at public libraries located in the Miles City and Lewistown Districts and at the following locations:

Department of the Interior, Bureau of Land Management, 18th and C Streets NW., Washington, DC 20420
Montana State Office, Bureau of Land Management, 222 North 32nd Street, P.O. Box 36800, Billings, Montana 59107
Big Dry Resource Area, Bureau of Land Management, Miles City Plaza, Miles City, Montana 59301
Lewistown District Office, Bureau of Land Management, 80 Airport Road, Lewistown, Montana 59457
Judith Resource Area, Bureau of Land Management, 80 Airport Road, Lewistown, Montana 59457
Phillips Resource Area, Bureau of Land Management, 501 S. 2nd St., East, P.O. Box B, Malta, Montana 59538
Havre Resource Area, Bureau of Land Management, West 2nd Street, P.O. Drawer 911, Havre, Montana 59501
Valley Resource Area, Bureau of Land Management, RR 1-4775, Glasgow, Montana 59230

Bruce Blanchard,

Director, Office of Environmental Project Review.

Date: December 11, 1987.

[FR Doc. 87-29257 Filed 12-23-87; 8:45 am]

BILLING CODE 4310-DN-M

[CO-010-08-4322-02]

Craig District Grazing Advisory Board Meeting

Time and Date: February 4, 1988, at 10:00 a.m.

Place: Craig District Office, 455 Emerson Street, Craig, Colorado.

Status: Open to public, interested persons may make oral statements between 10:00 a.m. and 11:00 a.m., or may file written statements.

Matters to be Considered

1. Update on riparian workshop.
2. Area reports including update on land use and activity planning.
3. Status report on FY88 range improvement projects.
4. Expenditure of Grazing Advisory Board Funds.

Contact Person for More Information: John Denker, Craig District Office, 455 Emerson Street, Craig, Colorado 81625, Phone: (303) 824-8261.

Dated: December 15, 1987.

Joan M. Bailey,

Acting District Manager.

[FR Doc. 87-29447 Filed 12-23-87; 8:45 am]

BILLING CODE 4310-JB-M

[CA-940-08-4111-15; CA 15657]

California; Proposed Reinstatement of Terminated Oil and Gas Lease

Under the provisions of Pub. L. 97-451, a petition for reinstatement of oil and gas lease CA 15657 for lands in Los Angeles County, California, was timely filed and was accompanied by all required rentals and royalties accruing from February 1, 1987, the date of termination.

No valid lease has been issued affecting the lands. The Lessee has agreed to new lease terms for rentals and royalties at rates of $5.00 per acre and 16⅔ percent, respectively. Payment of a $500.00 administrative fee has been made.

Having met all the requirements for reinstatement of the lease as set out in section 31 (d) and (e) of the Mineral Leasing Act of 1920 (30 U.S.C. 188), the Bureau of Land Management is proposing to reinstate the lease effective February 1, 1987, subject to the original terms and conditions of the lease and the increased rental and royalty rates cited above, and the reimbursement for cost of publication of this notice.

Kurt T. Mueller,

Acting Chief, Leasable Minerals Section, Branch of Adjudication and Records.

Date: December 17, 1987.

[FR Doc. 87-29448 Filed 12-23-87; 8:45 am]

BILLING CODE 4310-40-M

[MT-930-08-4212-13; M-71898]

Conveyance and Order Providing for Opening of Public Land; MT

AGENCY: Bureau of Land Management, Interior.

ACTION: Notice.

SUMMARY: This notice and order will open certain lands and minerals that were reconveyed to the United States in an exchange completed pursuant to the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701 *et seq.*) (FLPMA) to the operation of the public land laws, the mineral leasing laws and the mining laws as appropriate. It will also inform the public and interested local governmental officials of the issuance of the patent.

EFFECTIVE DATE: 9 a.m. on February 10, 1988.

FOR FURTHER INFORMATION CONTACT: Edward H. Croteau, BLM MT State Office, P.O. Box 36800, Billings, Montana 59107, 406-657-6082.

SUPPLEMENTARY INFORMATION: 1. Notice is hereby given that pursuant to sec. 206 of FLPMA, the following described surface and mineral estate was transferred to the State of Montana:

Principal Meridian, Montana

T. 11 N., R. 11 W.,
Sec. 14, lot 1;
Sec. 22, N½, NW¼SW¼, NE¼SE¼.
T. 8 N., R. 15 W.,
Sec. 21, W½SW¼, SE¼SE¼;
Sec. 28, E½NE¼.
T. 11 N., R. 16 W.,
Sec. 4, SW¼SW¼.
T. 12 N., R. 17 W.,
Sec. 13, lots 1, 2, 3, 5, 6, 8, 9, NW¼NE¼, NE¼NW¼, W½W½, SE¼SW¼, SW¼SE¼.
Sec. 24, lots 6, 7, NW¼.

2. The following described surface estate and all minerals except oil and gas were also transferred to the State of Montana:

Principal Meridian, Montana

T. 8 N., R. 15 W.,
Sec. 5, lots 2, 3, 4, S½NW¼, SW¼, W½SE¼;
Sec. 8, all;
Sec. 17, W½E½, W½.
T. 12 N., R. 15 W.,
Sec. 21, N½N½.

Upon termination or relinquishment of the existing oil and gas leases on the lands described in paragraph 2, all rights and interests to the oil and gas deposits shall automatically vest in the State of Montana, its successors or assigns.

Total acreage patented (paragraphs 1 and 2): 3,210.57 acres.

3. In exchange for the above selected land, the United States acquired the following described surface and mineral estate:

Principal Meridian, Montana

T. 13 N., R. 12 W.,
Sec. 16, lots 1, 2, 3, E½, S½NW¼, SW¼.
T. 13 N., R. 13 W.,
Sec. 16, all;
Sec. 36, lots 1-7, W½NE¼, NW¼, N½SW¼, NW¼SE¼.
T. 14 N., R. 13 W.,
Sec. 36, all.

A total of 3,189.79 acres of surface and mineral estate was acquired by the United States in this exchange.

4. Also, the following described land was segregated from location under the mining laws by the Notice of Proposed Exchange published in the **Federal Register** on July 31, 1986 (51 FR 27467):

Principal Meridian, Montana

T. 8 N., R. 15 W.,
Sec. 21, NE¼SE¼.

The land was not used in the exchange and the segregation from mining is no longer necessary. At 9 a.m. on February 10, 1988, the land will be opened to location and entry under the United States mining laws. See paragraph No. 7 below.

5. The values of Federal public land and the non-Federal land in the exchange were appraised at $2,260,000 each.

Opening Dates

6. At 9 a.m. on February 10, 1988, the lands described in paragraph 3 above will be opened to the operation of the public land laws generally, location and entry under the United States mining laws and to application and offers under the mineral leasing laws, subject to valid existing rights and the requirements of applicable law. All valid applications received under the public land laws at or prior to 9 a.m. on February 10, 1988, shall be considered as simultaneously filed at that time. Those received thereafter shall be considered in the order of filing.

All valid offers under the mineral leasing laws received from 9 a.m. on February 3, 1988, to 9 a.m. on February 10, 1988 for the lands described in paragraph 3, will be considered as simultaneously filed on the opening date. Those received thereafter shall be considered in the order of filing. Those offers received prior to 9 a.m. on February 3, 1988, will be rejected.

7. Appropriation of any of the lands described in paragraphs 3 and 4 under the general mining laws prior to the date and time of restoration is unauthorized. Any such attempted appropriation, including attempted adverse possession under 30 U.S.C. 38, shall vest no rights against the United States. Acts required to establish a location and to initiate a

right of possession are governed by State law where not in conflict with Federal law. The Bureau of Land Management will not intervene in disputes between rival locators over possessory rights since Congress has provided for such determinations in local courts.

James Binando,

Acting Deputy State Director, Division of Lands and Renewable Resources.

December 17, 1987.

[FR Doc. 87-29449 Filed 12-23-87; 8:45 am]

BILLING CODE 4310-DN-M

[AZ-020-08-4212-11; A-23000]

Realty Action; Public Land Classification; Mohave County, AZ

AGENCY: Bureau of Land Management, Interior.

ACTION: Notice of realty action; classification for recreation and public purposes, Mohave County, Arizona.

SUMMARY: The following public land has been examined and found suitable for lease and subsequent conveyance under the provisions of the Recreation and Public Purpose (R&PP) Act of June 14, 1926, as amended (44 Stat. 741; 43 U.S.C. 869 et seq.).

Gila and Salt River Meridian

T. 21 N., R. 18 W.,
Sec. 8, NE¼SE¼NE¼NE¼.
Containing 2.5 acres, more or less.

The classification shall become effective sixty (60) days after the publication of this notice in the **Federal Register.**

The proposed use of the public land is for an American Legion Post.

A lease with the option to patent shall be offered to the American Legion. The lease and patent will be subject to the following conditions:

1. Provisions of the Recreation and Public Purposes Act and to all applicable regulations of the Secretary of the Interior.
2. A right-of-way (R/W) for ditches and canals constructed by the authority of the United States.
3. All minerals shall be reserved to the United States, together with the right to prospect for, mine and remove the minerals.
4. Mohave County Planning and Zoning regulations.
5. Those rights for public roadway purposes granted to Mohave County by R/W A-17931.

Detailed information concerning these terms and provisions is available for review at the Kingman Resource Area Office, 2475 Beverly Avenue, Kingman, Arizona 86401.

Publication of this notice shall segregate the land from all appropriations under the public land laws including location under the mining laws but not from appropriations under the mineral leasing laws, the R&PP Act or Title V of the Federal Land Policy and Management Act of 1976.

For a period of forty-five (45) days from the date of publication of this Notice in the **Federal Register**, interested parties may submit comments to the District Manager, Phoenix District Office, 2015 West Deer Valley Road, Phoenix, Arizona 85027. Objections will be reviewed by the State Director who may sustain, vacate, or modify this realty action. In the absence of any objections, this realty action will become the final determination of the Department of the Interior.

Henri R. Bisson,

District Manager.

Date: December 14, 1987.

[FR Doc. 87-29460 Filed 12-23-87; 8:45 am]

BILLING CODE 4310-32-M

[CA-940-08-5410-10-ZBJG; CA 20604]

Realty Action; Conveyance of Mineral Interests in California

AGENCY: Bureau of Land Management, Interior.

ACTION: Notice of segregation; conveyance of the reserved mineral interests.

SUMMARY: The private lands described in this notice will be examined for suitability for conveyance of the reserved mineral interests pursuant to section 209 of the Federal Land Policy and Management Act of October 21, 1976. The mineral interests will be conveyed in whole or in part upon favorable mineral examination.

Serial number—CA 20604

Mount Diablo Meridian

T. 4 S., R. 16 E.,
Sec. 13, SE¼SE¼, SW¼SE¼;
Sec. 24, NE¼NE¼, NW¼NE¼, SE¼NE¼, NE¼SE¼ (fractional).
T. 4 S., R. 17 E.,
Sec. 18, Lots 7 and 8, SE¼SW¼;
Sec. 19, Lots 1 thru 4, Lot 6, E½NW¼, NE¼SW¼.
Acres 600.95.

County Mariposa

Upon publication of this Notice of Segregation in the **Federal Register** as provided in 43 CFR 2720.1-1(b), the mineral interests owned by the United States in the private lands covered by the application shall be segregated to the extent that they will not be subject to appropriation under the public land laws, including the mining laws. The segregative effect of the application shall terminate by publication of an opening order in the **Federal Register** specifying the date and time of opening; upon issuance of a patent or other document of conveyance of such mineral interests; or two years from the date of filing of the application, which ever occurs first.

Date: December 15, 1987.

Nancy J. Alex,

Chief, Lands Section Branch of Adjudication and Records.

[FR Doc. 87-29446 Filed 12-23-87; 8:45 am]

BILLING CODE 4310-40-M

[ES-030-08-4212-14; ES-00157-006]

Realty Action; Sale of Public Land in Cass County, MN; Modified; Competitive Sale ES-37285

AGENCY: Bureau of Land Management, Interior.

ACTION: Sale of Public Land in Cass County, Minnesota—Modified—Competitive Sale ES-37285.

SUMMARY: The following public land has been examined and determined to be suitable for sale under section 203(a)(1) of the Federal Land Policy and Management Act (FLPMA) of 1976 (90 Stat. 2750; 43 U.S.C. 1713), at no less than the appraised fair market value shown below. All minerals shall be reserved to the United States.

Fifth Principal Meridian, Minnesota

T. 136 N., R. 32 W.,
Sec. 06, Lot 4.
Containing 35.74 acres.

Appraised Fair Market Value: $2,700.

Date of Sale: February 24, 1988 at 3:00 PM.

Place of Sale: Milwaukee District Office, Bureau of Land Management, P.O. Box 0631, Milwaukee, Wisconsin 53203-0631.

Minimum Bid and Requirements: The minimum bid is the appraised fair market value of $2,700. Potential purchasers are required to submit 20 percent of their bid as down payment. The bid must be enclosed in a sealed envelope clearly marked "Public Sale ES 37285" on the left hand side of the envelope. The successful high bidder will be allowed 180 days to submit the remainder of the bid price. If the remainder of the bid price has not been received from the successful bidder within the specified time period, the bid deposit will be forfeited. If for any reason the land remains unsold after the specified sale date, the land will remain

available for sale over the counter until sold.

Example: If your bid is $2,700 you must submit 20 percent ($540.00). If your bid is $3,000 you must submit 20 percent ($600.00).

Bidder Qualifications: Purchasers must be citizens of the United States 18 years of age or over; a corporation; State; State instrumentality or political subdivision; or other legal entity, subject to the laws of any state or the United States. The lands are being offered for sale subject to a preference consideration to allow Mr. William Weisbrod, adjacent landowner, to meet the high bid. The sale will be conducted by modified competitive bidding procedures (sealed bid envelope). An apparent high bidder will be declared. The apparent high bidder and the designated bidder, (Mr. Weisbrod) will be notified.

Publication of this notice will segregate the land from all appropriation, including the mining laws, for 270 days, or until issuance of patent, whichever occurs first. For a period of 45 days from the date of this notice, interested parties may submit comments to the District Manager, Milwaukee, Wisconsin.

For Further Information: Detailed information concerning this sale is available at the Milwaukee District Office, Bureau of Land Management, 310 West Wisconsin Avenue, Suite 225, Milwaukee, Wisconsin 53203; or by calling Larry Johnson at (414) 291–4413.

Bert Rodgers,

District Manager.

[FR Doc. 87–29450 Filed 12–23–87; 8:45 am]

BILLING CODE 4310-GJ-M

[ES–030–08–4212–14; ES–00157–007]

Realty Action; Sale of Public Land in St. Louis County MN;

AGENCY: Bureau of Land Management, Interior.

ACTION: Sale of Public Land in St. Louis County, Minnesota—Direct Sale Es–37722.

SUMMARY: The following public land has been examined and determined to be suitable for sale under section 203(a)(1) of the Federal Land Policy and Management act (FLPMA) of 1976 (90 Stat. 2750; 43 U.S.C. 1713), at no less than the appraised fair market value shown below. The sale also includes conveyance of the mineral estate under the authority of section 209(b)(1)(1) of FLPMA.

Fifth Principal Meridian, Minnesota

T.62N., R.16W., Section 23, Tract #51 containing .48 acres.

Appraised Fair Market Value: $5,000.

The land described is hereby segregated from appropriation under the public land laws, including the mining laws, pending disposition of this action or 270 days from the date of publication of this notice, whichever occurs first.

This land is being offered by direct sale to Jerome and Carol Kolstad. It has been determined that the subject parcel contains no known mineral values; therefore, mineral interests may be conveyed simultaneously. Acceptance of the direct sale offer will qualify the purchaser to make application for conveyance of those mineral interests. Patent will be subject to valid existing rights.

For a period of 45 days from the date of publication of this notice in the **Federal Register**, interested parties may submit comments to the District Manager, Milwaukee District, P.O. Box 631, Milwaukee, Wisconsin 53203–0631. In the absence of timely objections, this proposal shall become the final determination of the Department of Interior.

FOR FURTHER INFORMATION: Detailed information concerning this sale is available at the Milwaukee District Office, Bureau of Land Management, 310 West Wisconsin Avenue, Suite 225, Milwaukee, Wisconsin 53203; or by calling Larry Johnson at (414) 291–4413.

Bert Rodgers,

District Manager.

[FR Doc. 87–29451 Filed 12–23–87; 8:45 am]

BILLING CODE 4310-GJ-M

[CO–942–08–4520–12]

Filing of Plats of Survey; Colorado

December 16, 1987.

The plat of survey of the following described land will be officially filed in the Colorado State Office, Bureau of Land Management, Lakewood, Colorado, effective 10:00 A.M., December 16, 1987.

The plat representing the dependent resurvey of a portion of the east boundary and the subdivisional lines, and the survey of the subdivision of section 13 and Parcels A and B, T. 1 N., R. 75 W., Sixth Principal Meridian, Colorado for Group No. 806, was accepted December 8, 1987.

This survey was executed to meet certain administrative needs of the United States Forest Service.

All inquiries about this land should be sent to the Colorado State Office, Bureau of Land Management, 2850 Youngfield Street, Lakewood, Colorado, 80215.

Darryl A. Wilson,

Acting Chief, Cadastral Surveyor for Colorado.

[FR Doc. 87–29452 Filed 12–23–87; 8:45 am]

BILLING CODE 4310-JB-M

[CO–940–08–4220–11; C–28292]

Proposed Continuation of Land Withdrawal; Colorado

December 18, 1987.

AGENCY: Bureau of Land Management, Interior.

ACTION: Notice.

SUMMARY: The Forest Service, U.S. Department of Agriculture, proposes that the order which withdrew lands for an indefinite period of time for various ranger stations be modified and the withdrawal be continued for 20 years insofar as it affects 20 acres of National Forest System land. The land will remain closed to surface entry and mining, but not to mineral leasing.

DATE: Comments should be received on or before March 23, 1988.

ADDRESS: Comments should be addressed to State Director, Colorado State Office, 2850 Youngfield Street, Lakewood, Colorado 80215.

FOR FURTHER INFORMATION CONTACT: Doris E. Chelius, BLM Colorado State Office, (303) 236–1768.

The Forest Service, U.S. Department of Agriculture, proposes that the existing withdrawal made by Secretarial Order dated December 15, 1906, as amended, for an indefinite period of time, be modified to expire in 20 years pursuant to Section 204 of the Federal Land Policy and Management Act of 1976, 90 Stat. 2751, 43 U.S.C. 1714, insofar as it affects the following described lands:

Sixth Principal Meridian

Gunnison National Forest

T. 14 S., R. 85 W.,
Sec. 23, SE¼NE¼SW¼, S½NE¼N W¼SW¼, and N½SE¼NW¼SW¼.

The area described aggregates 20 acres in Gunnison County.

The purpose of the withdrawal is for the administration and protection of the Cement Ranger Station. No change is proposed in the purpose or segregative effect of the withdrawal. The land will continue to be withdrawn form surface entry and mining, but not from mineral leasing.

For a period of 90 days from the date of publication of this notice, all persons

who wish to submit comments in connection with this proposed action may present their views in writing to this office.

The authorized officer of the Bureau of Land Management will undertake such investigations as are necessary to determine the existing and potential demand for the land and its resources. A report will be prepared for consideration by the Secretary of the Interior, the President, and Congress, who will determine whether or not the withdrawal will be modified and continued and, if so, for how long. Notice of the final determination will be published in the **Federal Register**. The existing withdrawal will continue until such determination is made.

James D. Crisp,

Chief, Branch of Adjudication.

[FR Doc. 87-29526 Filed 12-23-87; 8:45 am]

BILLING CODE 4310-JB-M

[NM-940-08-4220-11; NM 094303]

Proposed Continuation of Withdrawal; New Mexico

AGENCY: Bureau of Land Management, Interior.

ACTION: Notice.

SUMMARY: The Forest Service, U.S. Department of Agriculture proposes that a 133.125-acre withdrawal for the Beaverhead Work Center (formerly Beaverhead Administrative Site), Lookout Mountain Lookout (formerly Lookout Mountain Administrative Site) and part of Hillsboro Lookout (formerly Hillsboro Peak Administrative Site) continue for an additional 20 years. The land would remain closed to location and entry under the mining laws and has been and would remain open to leasing under the mineral leasing laws.

DATE: Comments should be received by March 23, 1988.

ADDRESS: Comments and meeting requests should be sent to the New Mexico State Director, BLM, P.O. Box 1449, Santa Fe, New Mexico 87504-1449.

FOR FURTHER INFORMATION CONTACT: Kay Thomas, BLM New Mexico State Office, 505-988-6589.

The Forest Service, U.S. Department of Agriculture proposes that the existing land withdrawal made by Public Land Order No. 2830 of December 3, 1962, be continued for a period of 20 years pursuant to section 204 of the Federal Land Policy and Management Act of 1976, 90 Stat. 2751; 43 U.S.C. 1714. The land is described as follows:

New Mexico Principal Meridian

Gila National Forest, Beaverhead Work Center (formerly Beaverhead Administrative Site)

T. 10 S., R. 12 W.,
Sec. 19, SW¼NE¼SE¼, SE¼NW¼SE¼, W½NW¼SE¼, SW¼SE¼, W½SE¼ SE¼.

The area described contains 100 acres in Catron County.

Hillsboro Lookout (formerly Hillsboro Peak Administrative Site)
T. 16 S., R. 9 W.,
Sec. 4, unsurveyed, if and when surveyed would be that portion of NE¼NW¼ lying outside Aldo Leopold Wilderness Area (Pub. L. 96-550).

The area described contains 13.125 acres in Grant County.

Lookout Mountain Lookout (formerly Lookout Mountain Administrative Site)
T. 11 S., R. 9 W.,
Sec. 18, N½ of Lot 10.

The area described contains 20 acres in Sierra County.

The portion of the Hillsboro Lookout lying outside the Aldo Leopold Wilderness Area, Beaverhead Work Center, and Lookout Mountain Lookout are the minimum size essential to accommodate the administrative sites/lookouts, and there are no necessary buffer zones included. The withdrawal closed the described land to mining but not mineral leasing. No change in the segregative effect or use of the land is proposed by this action.

For a period of 90 days from the date of publication of this notice, all persons who wish to submit comments in connection with the proposed withdrawal continuation may present their views in writing to the New Mexico State Director at the address indicated above.

The authorized officer of the Bureau of Land Management will undertake such investigations as are necessary to determine the existing and potential demand for the land and its resources. A report will also be prepared for consideration by the Secretary of the Interior, the President, and Congress, who will determine whether the withdrawal will be continued, and if so, for how long. The final determination on the continuation of the withdrawal will be published in the **Federal Register**. The existing withdrawal will continue until such determination is made.

Monte G. Jordan,

State Director.

Dated: November 23, 1987.

[FR Doc. 87-29453 Filed 12-23-87; 8:45 am]

BILLING CODE 4310-FB-M

[OR-943-08-4220-11; GP-08-034; OR-7963]

Proposed Continuation of Withdrawal; Oregon

AGENCY: Bureau of Land Management, Interior.

ACTION: Notice.

SUMMARY: The National Park Service proposes that a portion of an existing land withdrawal continue for 20 years and requests that the land remain closed to mining. The land has been and would remain open to mineral leasing subject to National Park Service concurrence.

FOR FURTHER INFORMATION CONTACT: Champ Vaughan, BLM, Oregon State Office, P.O. Box 2965, Portland, Oregon 97208, 503-231-6905.

SUPPLEMENTARY INFORMATION: The National Park Service proposes that a portion of the existing land withdrawal made by Public Land Order No. 5226 of July 14, 1972 continue for 20 years pursuant to Section 204 of the Federal Land Policy and Management Act of 1976, 90 Stat. 2751, 43 U.S.C. 1714. The land involved is located in the Siskiyou National Forest in T. 40 S., R. 6 W., W.M., Oregon.

The area described contains 20 acres in Josephine County.

The purpose of the withdrawal is to protect the Oregon Caves Administrative Site. The withdrawal currently segregates the land from operation of the mining laws but not the mineral leasing laws. The National Park Service requests no changes in the purpose or segregative effect of the withdrawal.

For a period of 90 days from the date of publication of this notice, all persons who wish to submit comments, suggestions, or objections in connection with the proposed withdrawal continuation may present their views in writing to the undersigned officer at the address specified above.

The authorized officer of the Bureau of Land Management will undertake such investigations as are necessary to determine the existing and potential demand for the land and its resources. A report will also be prepared for consideration by the Secretary of the Interior, the President and Congress, who will determine whether or not the withdrawal will be continued and if so, for how long. The final determination on the continuation of the withdrawal will be published in the **Federal Register.**

The existing withdrawal will continue until such final determination is made.

B. LaVelle Black,

Chief, Branch of Lands and Minerals Operations.

Dated: December 16, 1987.

[FR Doc. 87-29454 Filed 12-23-87; 8:45]

BILLING CODE 4310-33-M

Fish and Wildlife Service

Receipt of Applications for Permits; Honolulu Zoo, et al

The following applicants have applied for permits to conduct certain activities with endangered species. This notice is provided pursuant to Section 10(c) of the Endangered Species Act of 1973, as amended (16 U.S.C. 1531, *et seq.*):

Applicant: Honolulu Zoo, Honolulu, HI, PRT-723707

The applicant requests a permit to import one pair of captive born Asian elephants (Elephas maximus) from the Arignar Anna Zoo, Tamil Nadu, South India, for captive breeding purposes and zoological display. The applicant's request to import two female Asian elephants from Burma (PRT-719813) was withdrawn.

Applicant: The Peregrine Fund, Boise, ID, PRT-723408

The applicant requests a permit to import up to 20 live Aplomado falcons (Falco femoralis ssp septentrionalis) taken from the wild in Mexico over a period of two years for the purpose of enhancement of propagation and survival of the species.

Applicant: Dallas Zoo, Dallas, TX, PRT-722701

The applicant requests a permit to import four captive born Round Island boas (Casarea dussumieri) from the Jersey Wildlife Presevation Trust, Jersey, Channel Islands, for enhancement of propagation and exhibition.

Applicant: International Animal Exchange, Ferndale, MI, PRT-723465

The applicant requests a permit to export one pair of Diana guenons (Cercopithecus diana) to the Parque Metropolitano de Santiago, Santiago, Chile, for enhancement of the propagation of the species. The male was imported from Ghana in 1966; the female was born in the United States.

Applicant: Staten Island Zoological Society, Staten Island, NY, PRT-723755

The applicant requests a permit to export one captive born male leopard (Panthera pardus) to the Guadalajara Zoological Park, Guadalajara, Mexico, for enhancement of propagation of the species and public exhibition.

Documents and other information submitted with these applications are available to the public during normal business hours (7:45 am to 4:15 pm) Room 403, 1375 K. Street NW., Washington DC 20005, or by writing to the Director, U.S. Office of Management Authority, P.O. Box 27329, Central Station, Washington, DC 20038-7329.

Interested persons may comment on any of these applications within 30 days of the date of this publication by submitting written views, arguments, or data to the Director at the above address. Please refer to the appropriate PRT number when submitting comments.

Date: December 18, 1987.

Larry LaRochelle,

Acting Chief, Branch of Permits, U.S. Office of Management Authority.

[FR Doc. 87-29486 Filed 12-23-87; 8:45 am]

BILLING CODE 4310-55-M

Minerals Management Service

Development Operations Coordination Document

AGENCY: Minerals Management Service, Interior.

ACTION: Notice of the Receipt of a Proposed Development Operations Coordination Document (DOCD).

SUMMARY: Notice is hereby given that Exxon Company, U.S.A. has submitted a DOCD describing the activities it proposes to conduct on Lease OCS-G 2104, Block 295, Eugene Island Area, offshore Louisiana. Proposed plans for the above area provide for the development and production of hydrocarbons with support activities to be conducted from an existing onshore base located at Intracoastal City, Louisiana.

DATE: The subject DOCD was deemed submitted on December 14, 1987.

ADDRESS: A copy of the subject DOCD is available for public review at the Public Inforamtion Office, Gulf of Mexico OCS Region, Minerals Management Service, 1201 Elmwood Park Boulevard, Room 114, New Orleans, Louisiana (Office Hours: 8 a.m. to 4:30 p.m., Monday through Friday).

FOR FURTHER INFORMATION CONTACT: Warren Williamson; Minerals Management Service, Gulf of Mexico OCS Region, Field Operations, Plans, Platform and Pipeline Section, Exploration/Development Plans Unit; Telephone (504) 736-2874.

SUPPLEMENTARY INFORMATION: The purpose of this Notice is to inform the public, pursuant to Sec. 25 of the OCS Lands Act Amendments of 1978, that the Minerals Management Service is considering approval of the DOCD and that it is available for public review.

Revised rules governing practices and procedures under which the Minerals Management Service makes information contained in DOCDs available to affected States, executives of affected local governments, and other interested parties became effective December 13, 1979 (44 FR 53685). Those practices and procedures are set out in revised § 250.34 of Title 30 of the CFR.

Date: December 15, 1987.

J. Rogers Pearcy,

Regional Director, Gulf of Mexico OCS Region.

[FR Doc. 87-29455 Filed 12-23-87; 8:45 am]

BILLING CODE 4310-MR-M

Office of Surface Mining Reclamation and Enforcement

Information Collection Submitted to Office of Management and Budget for Review Under Paperwork Reduction Act

The proposal for the collection of information listed below has been submitted to the Office of Management and Budget for approval under the provisions of the Paperwork Reduction Act (44 U.S.C. Chapter 35). Copies of the proposed collection of information and related forms and explanatory material may be obtained by contacting the Bureau's clearance officer at the phone number listed below. Comments and suggestions on the requirements should be made within 30 days directly to the Bureau clearance officer and to the Office of Management and Budget Interior Department Desk Officer, Washington, DC 20503, telephone (202) 395-7340.

Title: Permanent Program Performance Standards—Surface Mining Activities 30 CFR 816.

Abstract: Section 515 of Pub. L. 95-87 provides that permittees conducting surface coal mining operations shall meet all applicable performance standards of the Act. This information is used by the regulatory authority in monitoring and inspecting mining activities to ensure that they are conducted in a manner which preserves and enhances environmental and other values of the Act.

Bureau Form Number: None.

Frequency: On occasion, quarterly, and annually.

Description of Respondents: Surface coal mining operators.

Annual Responses: 597,716.

Annual Burden Hours: 266,078.

Bureau clearance officer: David Collegeman (202) 343–5447.

Dated: December 10, 1987.

Carson W. Culp,

Assistant Director for Budget and Administration.

[FR Doc. 87–23456 Filed 12–23–87; 8:45 am]

BILLING CODE 4310–05–M

INTERSTATE COMMERCE COMMISSION

Intent To Engage in Compensated Intercorporate Hauling Operations; Interco Inc.

This is to provide notice as required by 49 U.S.C. 10524(b)(1) that the named corporations intend to provide or use compensated intercorporates hauling operations as authorized in 49 U.S.C. 10524(b).

A.1. Parent corporation and address of principal office: Interco Incorporated, 101 South Hanley Rd., St. Louis, Missouri 63105.

2. Wholly-owned subsidiaries which will participate in the operations and states of incorporation:

Delmar Sportswear, Inc., Maryland
Big Yank Corporation, Delaware
Patriot Investment Company, Missouri
Fine's Men's Shops, Inc., Virginia
Converse Inc., Delaware
Converse Star I, Inc., Massachusetts
Converse Star II, Inc., Massachusetts
United Shirt Distributors, Inc., Delaware
Golde's Department Stores, Inc., Missouri
QCS, Inc., Missouri
Stuffed Shirt Inc., Delaware
Queen Casuals, Inc., Delaware
Northeast Factory Outlet, Pennsylvania
Londontown Corporation, Delaware
Matthew Manufacturing Company, Maryland
Star Sportswear Manufacturing Corp., Delaware
The Scranton Outlet Corporation, Delaware
Washington Holding Company, Georgia
Milford Sportswear, Inc., Delaware
Sky City Stores, Inc., Delaware
Broyhill Furniture Industries, Inc., North Carolina
Highland House, Inc., North Carolina
Highland Transport, Inc., North Carolina
Grand Entry Hat Corp., New York
Central Hardward Company, Missouri
Witte Hardware Corporation, Missouri
INTERCO Export, Ltd., Missouri
Least Management, Inc., Missouri
America's Tradesman, Inc., Missouri
Abe Schrader Corporation, Delaware
SS Advertising Associates, Inc., New York
The Biltwell Company, Inc., Missouri
Ace Sweater Mills, Inc., South Carolina
Campus Sweater & Sportswear Export Company, Ohio
Carolina Sportswear Company, North Carolina
Central Sportswear Company, South Carolina
Chester Sportswear Company, South Carolina
Creedmoor Sportswear Company, South Carolina
Ellwood Knitting Mills, Inc., Pennsylvania
Warren Shirt Company, Pennsylvania
St. Paul Sportswear Company, Virginia
Label Corp, South Carolina
Kenbridge Sportswear Company,
H & H Manufacturing Corp., Georgia
Nationwide-Penncraft, Inc., Georgia
Rogin, Inc. Georgia
LaCrosse Sportswear Corporation, Virginia
Factory Outlet Company, Delaware
Lexington Sportswear Company, South Carolina
Louisburg Sportswear Company, North Carolina
Morgan Sportswear Company, Georgia
Olympic Sweater & Sportswear Company, Ohio
Southampton Sportswear Corporation, Ohio
Swainsboro Sportswear Company, Georgia
Campus Far East Company, Ohio
Flat Rock Manufacturing Company, Georgia
The Florsheim Shoe Store Company-Midwest, Delaware
The Florsheim Shoe Store Company-West, Delaware
The Florsheim Shoe Store Company-Northeast, Delaware
The Florsheim Shoe Store Company-South, Delaware
L. J. O'Neill Shoe Company, Missouri
Thompson, Boland & Lee, Inc. Delaware
The Florsheim Shoe Store Company of Hawaii, Delaware
Senack Shoes, Inc., Missouri
Keith O'Brien Investment Company, Idaho
Ethen Allen Inc., Delaware
Andover Wood Products, Inc., Maine
EA Enterprises, Inc., Florida
Ethan Allen Adco, Inc., New York
Lake Avenue Associates, Inc., Connecticut
Northeast Consolidated, Inc., Vermont
Riverside Water Works, Inc., Vermont
KEA International Inc., New York

B.1. Parent corporation and address of principal office: Marlar and Whistle Lumber Company, Inc., U.S. Highway 82 West, P.O. Box 248, Lewisville, AR. 71845.

2. Wholly-owned subsidiaries which will participate in the operations, and State of incorporation: M & W Trucking Company, Inc., an Arkansas Corporation.

Noreta R. McGee,

Secretary.

[FR Doc. 87–29480 Filed 12–23–87; 8:45 am]

BILLING CODE 7035–01–M

[Ex Parte No. 290 (Sub-No. 5) (88–1)]

Rail Carriers; Quarterly Rail Cost Adjustment Factor

AGENCY: Interstate Commerce Commission.

ACTION: Notice of Approval of Rail Cost Adjustment Factor and Decision.

SUMMARY: The Commission has decided to approve the cost index and Rail Cost Adjustment Factor (RCAF) for the first quarter 1988 filed by the Association of American Railroads (AAR) under the procedures of Ex Parte No. 290 (Sub-No. 2), *Railroad Cost Recovery Procedures.* We have rebased the denominator of the RCAF in order to comply with a provision of the Staggers Rail Act of 1980. Application of the index after forecast error adjustment provides for a first quarter 1988 RCAF of 1.122 before rebasing. The rebased first quarter 1988 RCAF is 1.027. Because there is a bank of credits available to offset a portion of the increase in maximum RCAF rate levels, RCAF rate levels may be increased by a maximum of 4.2 percent over the levels authorized in our decision served October 17, 1986. Since the bank of credits will be exhausted during the first quarter, future maximum RCAF rate levels will rise and fall with the level of the quarterly RCAF.

DATE: Effective January 1, 1988.

FOR FURTHER INFORMATION CONTACT: William T. Bono, (202) 275–7354 or Robert C. Hasek, (202) 275–0938—TDD for hearing impaired (202) 275–1721.

SUPPLEMENTARY INFORMATION: By decision served January 2, 1985 (50 FR 87, January 2, 1985) we outlined the procedures for the calculation of the all inclusive index of railroad input prices and the methodology for the computation of the RCAF. These procedures replaced an interim methodology which was formerly used. AAR is required to calculate the forecasted index on a quarterly basis and submit it on the fifth day of the last month of each calendar quarter.

We have reviewed AAR's calculations of the index for the first

quarter of 1988 and find that these calculations comply with the rules.

In our decision served December 27, 1985, we restated a lump sum payment to certain members of the United Transportation Union by amortizing it over the life of the present union contract with interest calculated using the three-month Treasury Bill rate. We instructed AAR to continue this calculation by amortizing the principal balance over the remaining quarters using the three-month Treasury Bill interest rate available seven days prior to the submission date of the quarterly index. We have verified AAR's lump sum calculations and find that they comply with our instructions.

The Staggers Rail Act of 1980 (Staggers Rail Act) (49 U.S.C. 10707a(2)(B)) requires that the denominator of the RCAF be rebased in the fourth quarter of 1987. Although we have rebased the denominator of the RCAF, we have calculated the authorized increase using RCAF values before rebasing. These "pre-rebasing" values include an adjustment for forecast error occurring during the third quarter of 1987. For the last year there has been a bank of credits available to offset increases in maximum RCAF rate levels. That bank of credits will become exhausted during the first quarter of 1988. Only a portion of the difference between the current maximum RCAF rate level, 1.057, and the "pre-rebasing" first quarter 1988 RCAF, 1.122, will be offset by credits. The current maximum RCAF rate level of 1.057 was prescribed in our decision served October 17, 1986. That decision rolled back maximum RCAF rate levels effective November 15, 1986 and no RCAF increases have been permitted since then. Subtracting the total remaining credits, .021, from the "pre-rebasing" RCAF of 1.122 produces a first quarter 1988 effective maximum RCAF rate level of 1.101 which in turn produces a maximum allowable increase of 4.2 percent.

The indices and RCAF derived from AAR's first quarter 1988 calculations are shown in Table A set forth below. The adjustment for third quarter 1987 forecast error is also shown in Table A. Table B shows the third quarter 1987 index and RCAF calculated on both an actual basis and a forecasted basis. The difference between the actual data calculation and the forecasted data calculation is the basis for the forecast error adjustment.

Table C shows our calculation of the bank of credits used to offset RCAF rate level increases. We note that the application of the proper opportunity cost adjustment does not increase the bank of credits. Since the bank of credits is now exhausted, these calculations will not appear in future decisions.

AAR should calculate a rebased fourth quarter 1987 RCAF on both a forecasted and an actual basis as a part of its second quarter 1988 proposed index and RCAF. Those rebased calculations will be used to adjust the second quarter 1988 RCAF for fourth quarter 1987 forecast error. Future RCAF's should be calculated on the basis of the index rebased at October 1, 1987 and adjusted for forecast error as shown herein.

In order to comply with a provision of the Staggers Rail Act, we have rebased the denominator of the RCAF using the fourth quarter 1987 index, after restatement for forecast error, as the base. The Staggers Rail Act requires us to use the fourth quarter 1987 index value as the denominator and the first quarter 1988 index value as the numerator in the rebasing process. Although the Staggers Rail Act is silent on the use of a forecast error adjustment such an adjustment is now a part of our RCAF procedures. Accordingly, it would be incorrect to restate the denominator of the RCAF without considering forecast error. We have restated the linked indices for the fourth quarter 1987 and the first quarter 1988 using the difference between the forecast and actual linked indices for the second and third quarters of 1987 respectively. This is the same basic procedure that we use to adjust the quarterly RCAF forecast error adjustment. We note that adjusting the indices on a ratio basis would produce the same results. Our calculations are shown in Table D.

We find that the first quarter 1988 RCAF is 1.122 before rebasing and 1.027 after rebasing. For the past year RCAF rate increases have been held down by a bank of credits established by our decision served October 17, 1986. The current maximum is 1.057 or the maximum RCAF rate level in effect on December 31, 1985. The increase authorized in this decision will be partially offset by the remaining credits. Subtraction of the remaining credits, .021, from the "pre-rebasing" first quarter 1988 RCAF, 1.122, produces an effective maximum first quarter 1988 RCAF rate level of 1.101 which is 4.2 percent above the current maximum RCAF rate level. Maximum RCAF rate levels may be increased by a maximum of 4.2 percent over the levels directed in our decision served October 17, 1986. Since the bank of credits will be exhausted during the first quarter, future maximum RCAF rate levels will rise and fall with the level of the quarterly RCAF.

This decision will not significantly affect the quality of the human environment or the conservation of energy resources. This proceeding will not have a significant adverse impact on a substantial number of small entities because these procedures simplify a formerly complex and burdensome rate increase procedure.

Authority: 49 U.S.C. 10321, 10707a, 5 U.S.C. 553.

Decided: December 16, 1987.

By the Commission, Chairman Gradison, Vice Chairman Lamboley, Commissioners Sterrett, Andre, and Simmons. Vice Chairman Lamboley dissented in part with a separate expression.

Noreta R. McGee,

Secretary.

Table A.—Ex Parte No. 290 (Sub-No. 5) (88-1) All Inclusive Index of Railroad Input Costs

Line No.	Index component	1986 weights (percent)	Fourth quarter 1987 forecast	First quarter 1988 forecast
1	Labor	46.7	164.9	171.2
2	Fuel	5.9	67.6	68.8
3	Materials and supplies	6.9	99.7	102.2
4	Equipment rents	9.2	141.4	144.5
5	Depreciation	12.3	115.5	115.7
6	Other items [1]	19.0	124.5	126.6
7	Weighted average	100.0	138.7	142.6
8	Linked index [2]		131.4	135.1

Table A.—Ex Parte No. 290 (Sub-No. 5) (88-1) All Inclusive Index of Railroad Input Costs—Continued

Line No.	Index component	1986 weights (percent)	Fourth quarter 1987 forecast	First quarter 1988 forecast
9	Preliminary rail cost adjustment factor [3] (10/1/82=100) 120.9		1.087	1.117
10	Adjustment for forecast error [4]		.006	.005
11	RCAF (line 9 plus line 10)		1.093	1.122

[1] Other items are a combination of Purchased Services, Casualties and Insurance, General and Administrative, Other Taxes and Loss and Damage, all of which are measured by the Producer Price Index for Industrial Commodities Less Fuel and Related Products and Power.
[2] Linking is necessitated by a change to 1986 weights beginning with the fourth quarter 1987. The following formula was used for the fourth quarter 1987 index:
[3] The denominator was rebased to an October 1, 1982 level in accordance with the requirements of the Staggers Rail Act of 1980.
[4] Third quarter 1987 forecast error adjustment is calculated as follows:
1. Third quarter 1987 RCAF calculated using forecasted data—1.079
2. Third quarter 1987 RCAF calculated using actual data—1.084
3. Difference (Line 2 minus Line 1). Since the actual third quarter 1987 RCAF was higher than the forecast the difference will be added to the first quarter 1988 preliminary RCAF—.005

$$\frac{\text{1st quarter 1988 index (1986 weights)}}{\text{4th quarter 1987 index (1986 weights)}} \times \text{4th quarter 1987 index (linked index)} = \text{Linked index (1980 weights to 1986 weights)}$$

or:

$$\frac{142.6}{138.7} \times 131.4 = 135.1$$

Table B.—Ex Parte No. 290 (Sub-No. 5) (88-1) Comparison of Third Quarter 1987 Index Calculated on Both a Forecasted and an Actual Basis

Line No.	Index component	1985 weights (percent)	Third quarter 1987 forecast	Third quarter 1987 actual
1	Labor	48.6	164.2	164.2
2	Fuel	9.7	60.2	65.9
3	Materials and supplies	7.6	98.6	98.6
4	Equipment rents	9.0	140.2	140.9
5	Depreciation	8.7	115.4	116.0
6	Other items	16.4	123.4	124.2
7	Weighted average	100.0	136.0	136.8
8	Linked index		130.4	131.1
9	Rail cost adjustment factor		1.079	1.084

Table C.—Ex Parte No. 290 (Sub-No. 5) (88-1) Calculation of RCAF Credits and Application of Opportunity Cost Adjustment

1. Bank of RCAF credits 9-30-87	.057
2. Maximum RCAF rate level, fourth quarter 1987	1.057
3. Published RCAF fourth quarter 1987	1.093
4. Reduction ( ) or addition to bank of credits for second quarter 1987 (line 2 minus line 3)	(.036)
5. Bank of RCAF credits 12-31-87 (line 1 plus line 4)	.021
6. Third quarter allowance for opportunity cost (Three-month Treasury Bill rate for sale of 11-23-87 (5.7 percent) divided by 4)	1.425%
7. Bank of RCAF credits 12-31-87 adjusted for opportunity cost (line 5×(1.0+line 6))	.021

TABLE D.—EX PARTE NO. 290 (SUB-NO. 5) (88-1) CALCULATIONS SHOWING REBASING THE DENOMINATOR OF RCAF TO FOURTH QUARTER 1987 LEVEL AS REQUIRED BY THE STAGGERS RAIL ACT OF 1980

Line number	
1. Fourth quarter 1987 linked index	131.4
2. Second quarter 1987 linked index calculated using actual data	130.0
3. Second quarter 1987 linked index calculated using forecasted data	129.2
4. Difference (line 2 minus line 3) Since the actual was higher than the forecast the difference will be added to the fourth quarter 1987 linked index	.8
5. Fourth quarter 1987 linked index adjusted for second quarter 1987 forecast error (line 1 plus line 4) equals rebased denominator of the RCAF fraction	132.2
6. First quarter 1988 linked index	135.1
7. Third quarter 1987 linked index calculated using actual data	131.1
8. Third quarter 1987 linked index calculated using forecasted data	130.4
9. Difference (line 7 minus line 8) Since the actual was higher than the forecast the difference will be added to the first quarter 1988 linked Index	.7
10. First quarter 1988 linked index adjusted for third quarter 1987 forecast error (line 6 plus line 9)	135.8
11. Rebased rail cost adjustment factor (line 10 divided by line 5)	1.027

[FR Doc. 87-29404 Filed 12-23-87; 8:45 am]
BILLING CODE 7035-01-M

[Finance Docket No. 31172]

G. Richard Abernathy; Continuance in Control Exemption; Georgia Northeastern Railroad Co., Inc., Walking Horse and Eastern Railroad Co., Columbia and Silver Creek Railroad Co., and Sequatchie Valley Railroad

Mr. G. Richard Abernathy has filed a notice of exemption under 49 CFR 1180.4(g) regarding his continuance in control of Georgia Northeastern Railroad, Company, Inc. (GNRC), Walking Horse & Eastern Railroad Company (WH&E), Columbia & Silver Creek Railroad Company (C&SC), and Sequatchie Valley Railroad (SVR) under the provisions of 49 CFR 1180.2(d)2.

Mr. Abernathy is a principal shareholder of GNRC, a noncarrier, which has filed a concurrent notice of exemption in Finance Docket No. 31171, *Georgia Northeastern Railroad Company, Inc.—Acquisition and Operation Exemption—CSX Transportation, Inc.*, to acquire and operate 67 miles of rail line in Georgia from CSX Transportation, Inc. Mr. Abernathy also controls WH&E, C&SC, and SVR.

Mr. Abernathy indicates that: (1) The railroads will not connect with each other or any railroad in their corporate family; (2) the continuance in control is not part of a series of anticipated transactions that would connect the railroads with each other or any railroad in their corporate family; and (3) the transaction does not involve a class I carrier. Therefore, this transaction involves the continuance in control of a nonconnecting carrier, and is exempt from the prior review requirements of 49 U.S.C. 11343. *See* 49 CFR 1180.2(d)(2).

As a condition to the use of this exemption, any employee affected by the transaction will be protected by the conditions set forth in *New York Dock. Ry.—Control—Brooklyn Eastern Dist., 360 I.C.C. 60 (1979).*

Petitions to revoke the exemption under 49 U.S.C. 10505(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the transaction.

Decided: December 9, 1987.

By the Commission, Jane F. Mackall, Director, Office of Proceedings.

Noreta R. McGee,

Secretary.

[FR Doc. 87-29211 Filed 12-23-87; 8:45 am]
BILLING CODE 7035-01-M

[Finance Docket No. 31171]

Georgia Northeastern Railroad Co., Inc.; Acquisition and Operation Exemption; CSX Transportation, Inc.

Georgia Northeastern Railroad Company, Inc. (GNE), has filed a notice of exemption to acquire and operate 67 miles of line of CSX Transportation, Inc. The property extends from milepost LKX 436.00 at Tate, GA, to milepost LKX 477.00, at Elizabeth, GA; and from milepost LKX 410.00, at Ellijay, GA., to milepost LKX 436.00 at Tate, GA. The transaction is expected to be consummated on or before December 14, 1987.

A transaction relating to the control of GNE by G. Richard Abernathy, is the subject of a notice of exemption filed concurrently in Finance Docket No. 31172, *G. Richard Abernathy—Continuance in Control Exemption—Georgia Northeastern Railroad Company, Inc.*. Any comments must be filed with the Commission and served on Mark M. Levin, Weiner, McCaffrey, Brodsky, & Kaplan, P.C., Suite 800, 1350 New York Avenue, Washington, DC 20005.

The notice is filed under 49 CFR 1150.31. If the notice contains false or misleading information, the exemption is void *ab initio*. Petitions to revoke the exemption under 49 U.S.C. 10505(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the transaction.

Decided: December 9, 1987.

By the Commission, Jane F. Mackall, Director, Office of Proceedings.

Noreta R. McGee,

Secretary.

[FR Doc. 87-29212 Filed 12-23-87; 8:45 am]
BILLING CODE 7035-01-M

[Finance Docket No. 31168]

Little Kanawha River Rail, Inc.; Acquisition and Operation Exemption; CSX Transportation, Inc. Line in Wood County, WV

Little Kanawha River Rail, Inc., has filed a notice of exemption to acquire and operate 3.1 miles of line of CSX Transportation, Inc. (CSXT). The property consists of CSXT's right-of-way and associated property between Ohio River Junction (valuation station 2+90, valuation section 61.1, map 65A), and South Parkersburg, WV (at the end of track 44+65, valuation section 58.1, map 51), in Wood County, WV. The transaction was scheduled to take place on or before November 30, 1987. Any comments must be filed with the Commission and served on John A. Alden, One East Livingston Avenue, Columbus, OH 43215-5764.

The notice is filed under 49 CFR 1150.31. If the notice contains false or misleading information, the exemption is void *ab initio*. Petitions to revoke the exemption under 49 U.S.C. 10505(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the transaction.

Decided: December 8, 1987.

By the Commission, Jane F. Mackall, Director, Office of Proceedings.

Noreta R. McGee,

Secretary.

[FR Doc. 87-29213 Filed 12-23-87; 8:45 am]

BILLING CODE 7035-01-M

[Finance Docket No. 31176]

LNAC Acquisition Corp.; Acquisition and Operation Exemption; The Louisville, New Albany and Corydon Railroad Co.

LNAC Acquisition Corp. (LNAC Acquisition) (a non-carrier), has filed a notice of exemption to acquire and operate property of the Louisville, New Albany & Corydon Railroad Company (LNAC) consisting of approximately 7.7 miles of track between Corydon, IN and Corydon Junction, IN. LNAC also holds motor carrier authority in No. MC-54855. LNAC is a subsidiary of the Evans Transportation Company (Evans). LNAC Acquisition is wholly owned by Itel Rail Car Corporation (Itel Rail Car). Itel Rail Car, in turn, is wholly owned by Itel Rail Corporation (Itel Rail), which, in turn, is wholly owned by Itel Corporation (Itel).

Itel has negotiated an asset purchase agreement (agreement) with Evans and its affiliate the Ferdinand Railroad Company (Ferdinand), to acquire certain assets associated with the rail car businesses of Evans. These assets will be transferred to the Ferdinand and Huntingsburg Railroad Company (F&H), a newly created noncarrier indirect subsidiary of Itel. F&H has filed a notice pursuant to 49 U.S.C. 10901 to acquire the assets of Ferdinand, and Itel has filed a petition pursuant to 49 U.S.C. 10505 to exercise control of F&H.[1]

At the time of the agreement the parties anticipated that LNAC would be sold prior to the consummation of the agreement, and Itel advised the Commission that it did not intend to acquire LNAC. LNAC has not been sold; therefore, Itel has negotiated a railroad asset purchase agreement by which LNAC Acquisition will acquire LNAC pending disposition to a third-party purchaser. Itel Rail Car will place the stock of LNAC Acquisition in a voting trust pending sale of its assets and stock. The creation of LNAC Acquisition will permit Itel to consummate its acquisition of the Evans assets that are not subject to the Commission's jurisdiction and enable Itel to initiate efforts to integrate Evans' other assets immediately upon consummation of the transaction.

Any comments must be filed with the Commission and served on Thomas J. Byrne and Carl V. Lyon, 1101 30th Street, NW., Suite 302, Washington, DC 20007.

The notice is filed under 49 CFR 1150.51. If the notice contains false or misleading information, the exemption is void *ab initio*. Petitions to revoke the exemption under 49 U.S.C. 10505(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the transaction.

Decided: December 10, 1987.

By the Commission, Jane F. Mackall, Director, Office of Proceedings.

Noreta R. McGee,

Secretary.

[FR Doc. 87-29214 Filed 12-23-87; 8:45 am]

BILLING CODE 7035-01-M

[Finance Docket No. 31174]

Railtex, Inc.; Continuance in Control Exemption; Virginia & North Carolina Railroad Co., Inc.

Railtex, Inc. (Railtex) has filed a notice of exemption under 49 CFR 1180.4(g) regarding its continuance in control of the Virginia & North Carolina Railroad Company, Inc. (V&NC), under the provisions of 49 CFR 1180.2(d)(3). At present, Railtex controls South Carolina Central Railroad Company, Inc. North Carolina & Virginia Railroad Company, Inc. (NC&V), the Austin Railroad Company, Inc. and the San Diego & Imperial Valley Railroad Company. V&NC, a wholly owned noncarrier subsidiary of Railtex, has filed concurrently a notice of exemption in Finance Docket No. 31173, *Virginia & North Carolina Railroad Company, Inc.—Acquisition and Operation Exemption—Rail Lines of North Carolina & Virginia Railroad Company, Inc.*, relating to V&NC's purchase and operation of a 2.4-mile line of railroad between the North Carolina-Virginia State border line and Boykins, VA. The line will be purchased from NC&V.

Railtex indicates that this transaction within the Railtex corporate family will not result in: (1) Adverse changes in service levels, (2) significant operational changes, or (3) a change in the competitive balance with carriers outside the corporate family. Therefore, this transaction is exempt from the prior review requirements of 49 U.S.C. 11343. *See* 49 CFR 1180.2(d)(3).

As a condition to the use of this exemption, any employees affected by the transaction will be protected by the conditions set forth in *New York Dock. Ry.— Control—Brooklyn Eastern Dist.*, 360 I.C.C. 60 (1979).

Petitions to revoke the exemption under 49 U.S.C. 10505(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the transaction.

Decided: December 4, 1987.

By the Commission, Jane F. Mackall, Director, Office of Proceedings.

Noreta R. McGee,

Secretary.

[FR Doc. 87-29215 Filed 12-23-87; 8:45 am]

BILLING CODE 7035-01-M

[Finance Docket No. 31187]

SouthEastern Rail Corp.; Acquisition and Operation Exemption; Gulf and Mississippi Railroad Corp.

SouthEastern Rail Corporation (SRC), a subsidiary of MidSouth Corporation (MidSouth), has filed a notice of exemption to acquire from Gulf and Mississippi Railroad Corporation (G&M) and operate approximately 732 miles of rail line located in Mississippi, Tennessee, and Alabama. The rail lines extend between Corinth, MS (M.P. 330.50) and Meridian, MS (M.P. 138.80); between Meridian (M.P. 132.00) and Mobile, AL (M.P. 4.70); between Middleton, TN (M.P. 368.50) and Woodland, MS (M.P. 274.00); between Aberdeen, MS (M.P. 106.05) and Fentress, MS (M.P. 47.00); between Ackerman, MS (M.P. 239.50) and Laurel, MS (M.P. 110.00), including the branch line between Union, MS (M.P. 0.00) and Walnut Grove, MS (M.P. 22.80); between Artesia, MS (M.P. 0.00) and Tuscaloosa, AL (M.P. 79.50), including the branch line between Tuscaloosa (M.P. 79.50) and Fox, AL (M.P. 8.54); between Brookwood, AL (M.P. LK 429.20—LK 429.68) and Holt, AL (M.P. TM 441.68—TB 441.79); and includes incidental trackage rights in Meridian (between M.P. 132.00 and M.P. 138.80); in Mobile (between M.P. 4.70 and the Alabama State Docks); between Ruslor Junction,

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[1] The control application is Finance Docket 31143, Petition of Itel Corporation for exemption from 49 U.S.C. 11343 pursuant to 49 U.S.C. 10505. The acquisition and operation exemption is Finance Docket 31144, *The Ferdinand and Huntingsburg Railroad Co.; Acquisition and Operation of Rail Line. Ferdinand Railroad Co.*, published at 52 *Fed. Reg.* 44500 (November 19, 1987).

MS (M.P. 330.50) and Corinth, MS (M.P. 328.90); between Middleton, TN (at or near M.P. 481.00) and Corinth, MS (at or near M.P. 459.00); and between New Albany, MS (M.P. 562.30) and Tupelo, MS (M.P. 588.20).

The agreement between SRC and G&M is expected to be consumated on or about February 15, 1988. This transaction will also involve the issuance of securities by SRC. Since SRC will be a Class II carrier, the issuance of these securities will be an exempt transaction under 49 CFR 1175.1.

Any comments must be filed with the Commission and served on: Mark M. Levin; Weiner, McCaffrey, Brodsky & Kaplan, P.C.; Suite 800, 1350 New York Avenue, NW., Washington, DC 20005-4797; (202) 628-2000.[1]

This notice is related to Finance Docket No. 31186 in which MidSouth has concurrently filed a petition pursuant to 49 U.S.C. 10505 for exemption from the prior approval requirements of 49 U.S.C. 11343 to continue in control of SRC upon SRC's acquisition of the G&M lines. MidSouth presently controls MidSouth Rail Corporation, a Class II rail carrier, and MidLouisiana Rail Corporation, a Class III rail carrier.[2]

This notice is filed under 49 CFR 1150.31. If the notice contains false or misleading information, the exemption is void *ab initio*. Petitions to revoke the exemption under 49 U.S.C. 10505(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the transaction.

Decided: December 15, 1987.

By the Commission, Jane F. Mackall,

Director, Office of Proceedings.

Noreta R. McGee,

Secretary.

[FR Doc. 87-29216 Filed 12-23-87; 8:45 am]

BILLING CODE 7035-01-M

[1] The Railway Labor Executives' Association (RLEA) filed an unsupported request for labor protection, claiming that this transaction is subject to the mandatory labor protection provisions of 49 U.S.C. 11347. Since this transaction involves an exemption from 49 U.S.C. 10901, only a showing of exceptional circumstances will justify the imposition of labor protective conditions. RLEA's request is denied because the requisite showing has not been made. *See Class Exemption—Acq. & Oper. of R. Lines Under 49 U.S.C. 10901*, 1 I.C.C.2d 810 (1985).

[2] SRC's acquisition of the involved G&M properties must await an effective Commission decision in Finance Docket No. 31186, exempting the continuance in control described above or prior Commission approval of the common control relationship.

[Finance Docket No. 31173]

Virginia and North Carolina Railroad Co., Inc.; Acquisition and Operation Exemption; Rail Lines of North Carolina and Virginia Railroad Co., Inc.

Virginia & North Carolina Railroad Company, Inc. (V&NC), a noncarrier, has filed a notice of exemption to acquire and operate approximately 2.4 miles of railroad of North Carolina & Virginia Railroad, Inc. (NC&V), located in Virginia. The line extends from milepost 57.0 at the North Carolina-Virginia State border line to milepost 54.60 at Boykins, VA. The agreement for transfer of the lines between V&NC and NC&V was to be consummated on or before December 1, 1987.

This transaction will also involve the issuance of securities by V&NC, which will be a class III carrier. The issuance of these securities will be an exempt transaction under 49 CFR 1175.1.

A transaction relating to the control of V&NC by Railtex, Inc., is the subject of a notice of exemption filed concurrently in Finance Docket No. 31174, *Railtex Inc.—Continuance in Control Exemption—Virginia & North Carolina Railroad Company, Inc.* Any comments must be filed with the Commission and served on Mark M. Levin, Weiner, McCaffrey, Brodsky & Kaplan, P.C., 1350 New York Avenue, NW., Suite 800, Washington, DC 20005-4797.

The notice is filed under 49 CFR 1150.31. If the notice contains false or misleading information, the exemption is void *ab initio*. Petitions to revoke the exemption under 49 U.S.C. 10505(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the transaction.

Decided: December 4, 1987.

By the Commission, Jane F. Mackall, Director, Office of Proceedings.

Noreta R. McGee,

Secretary.

[FR Doc. 87-29217 Filed 12-23-87; 8:45 am]

BILLING CODE 7035-01-M

[Docket No. AB-32 (Sub-No. 39X)]

Boston and Maine Corp. and Springfield Terminal Railway Co.; Exemption; Discontinuance of Service in Essex County, MA

Applicants, wholly owned subsidiaries of Guilford Transportation Industries, Inc., have filed a notice of exemption under 49 CFR 1152 Subpart F—*Exempt Abandonments* to discontinue service over the Eastern Route Main Line from milepost 18.70 in Beverly to milepost 36.88 in Newburyport, all in Essex County, MA. The rail line lies on property owned by the Massachusetts Bay Transportation Authority.

Applicants have certified that (1) no local traffic has moved over the line for at least 2 years and that overhead traffic is not moved over the line or may be rerouted, and (2) no formal complaint, filed by a user of rail service on the line (or by a State or local governmental entity acting on behalf of such user) regarding cessation of service over the line, either is pending with the Commission or any U.S. District Court, or has been decided in favor of the complainant within the 2-year period. The appropriate State agency has been notified in writing at least 10 days prior to the filing of this notice.

Applicant has filed an environmental report which shows that no significant environmental or energy impacts are likely to result from the discontinuance.

As a condition to use of this exemption, any employee affected by the discontinuance of service shall be protected under *Oregon Short Line R. Co.—Abandonment—Goshen*, 360 I.C.C. 91 (1979) [1].

The exemption will be effective January 25, 1987 unless stayed pending reconsideration. Petitions to stay must be filed by January 4, 1987, and petitions for reconsideration, including environmental, energy, and public use concerns, must be filed by January 13, 1987 with: Office of the Secretary, Case Control Branch, Interstate Commerce Commission, Washington, DC 20423.

A copy of any petition filed with the Commission should be sent to applicants' representative: Kristin Dorney, Esq., Boston and Maine Corporation, Iron Horse Park, North Billerica, MA 01862.

If the notice of exemption contains false or misleading information, use of the exemption is void *ab initio*.

A notice to the parties will be issued if use of the exemption is conditioned upon environmental or public use conditions.

Decided: December 14, 1987.

By the Commission, Jane F. Mackall, Director, Office of Proceedings.

Noreta R. McGee,

Secretary.

[FR Doc. 87-29218 Filed 12-23-87; 8:45 am]

BILLING CODE 7035-01-M

[1] The Railway Labor Executives' Association (RLEA) filed a request for the imposition of labor protective conditions. The United Transportation Union joins in RLEA's request. Since the subject discontinuance involves an exemption from 49 U.S.C. section 10903, such conditions have been imposed routinely.

[Docket No. AB-32 (Sub-No. 40X)]

Boston and Maine Corp. and Springfield Terminal Railway Co.; Exemption; Discontinuance of Service in Essex County, MA

Applicants, wholly owned subsidiaries of Guilford Transportation Industries, Inc., filed a notice of exemption under 49 CFR Part 1152 Subpart F—*Exempt Abandonments* to discontinue service over the Gloucester Branch from milepost 18.70 in Beverly to milepost 35.39 in Rockport, a distance of 16.69 miles all in Essex County, MA. This rail line lies on property owned by the Massachusetts Bay Transportation Authority.

Applicant has certified that (1) no local traffic has moved over the line for at least 2 years, and that overhead traffic is not moved over the line, or may be rerouted and (2) no formal complaint, filed by a user of rail service on the line (or by a State or local governmental entity acting on behalf of such user) regarding cessation of service over the line either is pending with the Commission or any U.S. District Court, or has been decided in favor of the complainant within the 2-year period. The appropriate State agency has been notified in writing at least 10 days prior to the filing of this notice.

Applicant has filed an environmental report which shows that no significant environmental or energy impacts are likely to result from the discontinuance.

As a condition to use of this exemption, any employee affected by the discontinuance shall be protected pursuant to *Oregon Short Line R. Co.—Abandonment—Goshen*, 360 I.C.C. 91 (1979).[1]

The exemption will be effective January 25, 1988 unless stayed pending reconsideration. Petitions to stay must be filed by January 4, 1988 and petitions for reconsideration, including environmental, energy, and public use concerns, must be filed by January 13, 1988 with: Office of the Secretary, Case Control Branch, Interstate Commerce Commission, Washington, DC 20423.

A copy of any petition filed with the Commission should be sent to applicants' representative: Kristin Dorney, Esq., Boston and Maine Corporation, Iron Horse Park, North Billerica, MA 01862.

If the notice of exemption contains false or misleading information, use of the exemption is void *ab initio*.

A notice to the parties will be issued if use of the exemption is conditioned upon environmental or public use conditions.

Decided: December 14, 1987.

By the Commission, Jane F. Mackall, Director, Office of Proceedings.

Noreta R. McGee,

Secretary.

[FR Doc. 87-29219 Filed 12-23-87; 8:45 am]

BILLING CODE 7035-01-M

[Docket No. AB-290 (Sub-No. 4)]

Certificate and Decision on Southern Railway Co. Request to Abandon Railroad Lines in Dallas and Perry Counties, AL

Decided: December 21, 1987.

By application filed November 12, 1987, applicant seeks to abandon its 13.8-mile line of railroad between Marion Junction (milepost 14.0-P) and the end of the line at Marion (milepost 27.8-P) in Dallas and Perry Counties, AL. Public notice was properly given. Comments on the issue of labor protection were filed by the Railway Labor Executives' Association and the United Transportation Union.

Under 49 U.S.C. 10904(b), the Commission must grant an application for abandonment unless a protest is received within 30 days after the application was filed. Since the time for filing protests has expired and no protests were filed, an appropriate certificate and decision must be entered. As required by 49 U.S.C. 10903(b)(2), appropriate employee protective conditions will be imposed.

The environmental and energy impacts of this action have been examined and found not to be significant. Areas of consideration included, but were not limited to, energy consumption, air and water quality, noise levels, and public safety. It has been determined that the right-of-way would be suitable for alternative public use after abandonment. However, no party requested imposition of a public use condition. Accordingly, a public use condition will not be imposed.

The Commission's Section of Energy and Environment (SEE) has been informed by the State Historic Preservation Officer of Alabama that applicant's Marion depot may be eligible for listing in the *National Register*. Consequently, SEE recommends a condition that the railroad not engage in any salvage activities that would affect the potentially historic character of the depot until the Commission completes a section 106 National Historic Preservation Act review process.

The condition recommended by SEE is similar to conditions imposed in past abandonment proceedings. *See, e.g.*, Docket No. AB-6 (Sub-No. 291), *et al., Burlington Northern Railroad Company, The Denver and Rio Grande Western Railroad Company, and the Atchison, Topeka and Santa Fe Railway Company—Abandonment—In Denver and Jefferson Counties, CO* (not printed), served December 11, 1987. Accordingly, I will impose the condition. I would point out, however, that the condition does not preclude applicant from salvaging rails, ties and other railroad-related material apart from those related to the Marion depot.

Therefore, based on the record, I find:

1. Abandonment of the line will not result in a serious adverse impact on rural and community development.

2. The property is suitable for other public purposes.

3. This action will not significantly affect either the quality of the human environment or energy conservation.

It is certified: The present and future public convenience and necessity permit abandonment of the described line of railroad, subject to: (1) the employee protective conditions in *Oregon Short Line R. Co.—Abandonment—Goshen*, 360 I.C.C. 91 (1979); and (2) applicant may not engage in any salvage activities that would affect the potentially historic character of the Marion depot until the Commission completes a Section 106 National Historic Preservation Act review process.

It is ordered: 1. These findings will be published in the **Federal Register** on the date this decision is served. An offer of financial assistance to allow rail service to continue must be received by the railroad and the Commission within 10 days after publication. The offeror must comply with 49 U.S.C. 10906 and 49 CFR 1152.27(b).

2. Offers and related correspondence to the Commission must refer to this proceeding. The following notation must be typed in bold face on the lower left-hand corner of the envelope: "Rail Section, AB-OFA."

3. Subject to the conditions set forth above and provided no offer for continued rail operations is received, the railroad may abandon the line after the effective date of this certificate and decision.

4. The railroad may cancel its tariffs for this line on not less than 10 days' notice to the Commission. The cancellation tariffs must refer to this

[1] The Railway Labor Executives' Association (RLEA) filed a request for the imposition of labor protective conditions. The United Transportation Union joins in RLEA's request. Since the sought discontinuance involves an exemption from 49 U.S.C. 10903, such conditions have been imposed routinely.

certificate and decision by date and docket number.

5. This certificate and decision shall be effective 30 days from the date of service unless otherwise ordered by the Commission.

By the Commission, Jane F. Mackall, Director, Office of Proceedings.

Noreta R. McGee,

Secretary.

[FR Doc. 87-29599 Filed 12-23-87; 8:45 am]

BILLING CODE 7035-01-M

DEPARTMENT OF LABOR

Employment and Training Administration

[TA-W-19, 968]

General Motors Corp., AC Spark Plug Division, Oak Creek, WI; Negative Determination Regarding Application for Reconsideration

After being granted a filing extension, the United Auto Workers of America (UAW) requested administrative reconsideration of the Department's negative determination on the subject petition for trade adjustment assistance for workers at General Motors Corporation, AC Spark Plug Division, Oak Creek, Wisconsin. The denial notice was signed on September 28, 1987 and published in the **Federal Register** on October 23, 1987 (52 FR 39717).

Pursuant to 29 CFR 90.18(c) reconsideration may be granted under the following circumstances:

(1) If it appears on the basis of facts not previously considered that the determination complained of was erroneous;

(2) If it appears that the determination complained of was based on a mistake in the determination of facts not previously considered; or

(3) If, in the opinion of the Certifying Officer, a misinterpretation of facts or of the law justified reconsideration of the decision.

The union claims that auto imports with converters already attached increased in 1986 compared to 1985. The union states that General Motors' market share decreased in 1986 compared to 1986 and the A.C. Spark Plug's converter business is directly related to General Motors sales.

Investigative findings show that the Oak Creek plant produces catalytic converters mainly for General Motors cars and trucks. A small percentage of converters were produced for companies not affiliated with General Motors in 1986.

The Department's denial was based on the fact that the increased import criterion was not met. The Department's survey of major internal customers revealed that none of the respondents imported catalytic converters in model year 1986 or 1987.

Investigative findings further show that there is still not sufficient integration of Oak Creek production with other General Motors' plants whose workers are already under a certification to justify certifying workers at the Oak Creek plant. Most of General Motors' auto and truck assembly plants which are internal customers of Oak Creek do not have workers certified for adjustment assistance.

Imported finished articles (cars and trucks) incorporating component parts like catalytic converters would not serve as a basis for certification. This issue was addressed in *United Shoe Workers of America, AFL-CIO* v. *Bedell*, 506, F 2d 174 (D.C. Circ. 1974). The court held that imported finished women's shoes were not like or directly competitive with shoe counters. Similarly, catalytic converters cannot be considered as like or directly competitive with cars and trucks incorporating the converter. Section 222(3) of the Trade Act states that there must be increased imports of articles that are like or directly competitive with those produced at the workers' firm.

Conclusion

After review of the application and investigative findings, I conclude that there has been no error or misinterpretation of the law or of the facts which would justify reconsideration of the Department of Labor's prior decision. Accordingly, the application is denied.

Signed at Washington, DC, this 17th day of December 1987.

Stephen A. Wandner,

Deputy Director, Office of Legislation and Actuarial Services, UIS.

[FR Doc. 87-29528 Filed 12-23-87; 8:45 am]

BILLING CODE 4510-30-M

[TA-W-20,199]

Westmoreland Coal Co., Clothier, WV.; Negative Determination Regarding Application for Reconsideration

By an application dated December 7, 1987, one of the petitioners requested administrative reconsideration of the Department's negative determination on the subject petition for trade adjustment assistance. The denial notice was published in the **Federal Register**.

Pursuant to 29 CFR 90.18(c) reconsideration may be granted under the following circumstances:

(1) If it appears on the basis of facts not previously considered that the determination complained of was erroneous;

(2) If it appears that the determination complained of was based on a mistake in the determination of facts previously considered; or

(3) If, in the opinion of the Certifying Officer, a misinterpretation of facts or of the law justified reconsideration of the decision.

The petitioner claims, among other things, that oil and coal are like articles and that automobiles, steel and electricity are directly competitive with coal. Petitioner names a utility that terminated its contract for coal from Westmoreland and supplemented its coal supply by purchasing imported coal.

The Department's denial was based on the fact that the increased import criterion was not met. U.S. imports of coal are negligible. The ratio of imports to domestic production was less than one-half of one percent during the last five years ending in 1986 and U.S. imports of coal declined in the first six months of 1987 compared to the same period of 1986.

Also, the dominant cause for the worker separations and the cessation of production was the closing of the mine because the remaining coal was uneconomical to mine. The mine had been in operation since 1955.

The Department does not consider oil as an article like coal. Departmental regulations state that "like" articles are those that are substantially identical in inherent or intrinsic characteristics (i.e. materials from which the articles are made, appearance, quality, texture etc.). Further, automobiles, steel and electricity are not competitive with coal production within the meaning of section 222(3) of the Trade Act of 1974. Workers at a coal mine, however, can be certified for adjustment assistance on the basis of steel imports only if it is part of an integrated production process, i.e., the coal is shipped to an affiliated steel plant whose workers independently meet the statutory criteria for certification. The consideration was not met for the Westmoreland Coal Company because it is not affiliated with a steel company.

Lastly, the utility named by the petitioner of importing coal was not a customer of the Hampton Division of Westmoreland. Pending legislation on setting a tariff on coal imports would not provide a basis for certification.

Conclusion

After review of the application and investigative findings, I conclude that there has been no error or misinterpretation of the law or of the facts which would justify reconsideration of the Department of Labor's prior decision. Accordingly, the application is denied.

Signed at Washington, DC, this 16th day of December 1987.

Barbara Ann Farmer,

Acting Director, Office of Program Management, UIS.

[FR Doc. 87-29529 Filed 12-23-87; 8:45 am]

BILLING CODE 4510-30-M

Labor Surplus Area Classifications Under Executive Orders 12073 and 10582; Additions to Annual List of Labor Surplus Areas

AGENCY: Employment and Training Administration, Labor.

ACTION: Notice.

DATE: The additions to the labor surplus area list are effective December 1, 1987.

SUMMARY: The purpose of this notice is to announce the classifications for the State of Wisconsin as well as the addition of two other areas to the list of labor surplus areas.

FOR FURTHER INFORMATION CONTACT: William J. McGarrity, Labor Economist, Employment and Training Administration, 200 Constitution Avenue, NW., Room N4470, Attention: TEESS, Washington, DC 20210. Telephone: 202-535-0185.

SUPPLEMENTARY INFORMATION: Executive Order 12073 requires executive agencies to emphasize procurement set-asides in labor surplus areas. The Secretary of Labor is responsible under that Order for classifying and designating areas as labor surplus areas.

Under Executive Order 10582 executive agencies may reject bids or offers of foreign materials in favor of the lowest offer by a domestic supplier, provided that the domestic supplier undertakes to produce substantially all of the materials in areas of substantial unemployment as defined by the Secretary of Labor. The preference given to domestic suppliers under Executive Order 10582 has been modified by Executive Order 12260. Federal Procurement Regulations Temporary Regulation 57 (41 CFR Chapter 1, Appendix), issued by the General Services Administration on January 15, 1981 (46 FR 3519), implements Executive Order 12260. Executive agencies should refer to Temporary Regulation 57 in procurements involving foreign businesses or products in order to assess its impact on the particular procurements.

The Department of Labor regulations implementing Executive Orders 12073 and 10582 are set forth at 20 CFR Part 654, Subparts A and B. Subpart A requires the Assistant Secretary of Labor to classify jurisdictions as labor surplus areas pursuant to the criteria specified in the regulations and to publish annually a list of labor surplus areas. Pursuant to those regulations the Assistant Secretary of Labor published the annual list of labor surplus areas on October 27, 1987 (52 FR 41338).

Subpart B of Part 654 states that an area of substantial unemployment for purposes of Executive Order 10582 is any area classified as a labor surplus area under Subpart A. Thus, labor surplus areas under Executive Order 12073 are also areas of substantial unemployment under Executive Order 10582.

The areas described below have been classified by the Assistant Secretary of Labor as labor surplus areas pursuant to 20 CFR 654.5(b) (48 FR 15615 April 12, 1983) and are effective December 1, 1987.

The list of labor surplus areas following is published for the use of all Federal agencies in directing procurement activities and locating new plants or facilities.

Signed at Washington, DC, on December 4, 1987.

Roger D. Semerad,

Assistant Secretary of Labor.

WISCONSIN CLASSIFICATIONS FOR FISCAL YEAR 1988

[December 1, 1987]

Eligible labor surplus areas	Civil jurisdictions included
Ashland County	Ashland County
Bayfield County	Bayfield County
Buffalo County	Buffalo County
Clark County	Clark County
Columbia County	Columbia County
Balance of Douglas County	Douglas County
	Superior City
Fond Du Lac City	Fond Du Lac City
	Fond Du Lac County
Forest County	Forest County
Green Bay City	Green Bay City In
	Brown County
Green Lake County	Green Lake County
Iron County	Iron County
Jackson County	Jackson County
Janesville City	Janesville City In
	Rock County
Juneau County	Juneau County
Kenosha City	Kenosha City In
	Kenosha County
Lincoln County	Lincoln County
Manitowoc City	Manitowoc City In
	Maintowoc County
Marinette County	Marinette County
Marquette County	Marquette County
Menominee County	Menominee County
Oconto County	Oconto County
Polk County	Polk County
Price County	Price County
Racine City	Racine City In
	Racine County
Rusk County	Rusk County
Sauk County	Sauk County
Sawyer County	Sawyer County
Superior City	Superior City In
	Douglas County
Taylor County	Taylor County
Trempealeau County	Trempealeau County
Vernon County	Vernon County
Vilas County	Vilas County
Washburn County	Washburn County
Wausa City	Wausa City In
	Marathon County

WISCONSIN CLASSIFICATIONS FOR FISCAL YEAR 1988—Continued

[December 1, 1987]

Eligible labor surplus areas	Civil jurisdictions included
Racine City	Racine City In
	Racine County
Rusk County	Rusk County
Sauk County	Sauk County
Sawyer County	Sawyer County
Superior City	Superior City In
	Douglas County
Taylor County	Taylor County
Trempealeau County	Trempealeau County
Vernon County	Vernon County
Vilas County	Vilas County
Washburn County	Washburn County
Wausa City	Wausa City In
	Marathon County

ADDITIONS TO THE ANNUAL LIST OF LABOR SURPLUS AREAS

[December 1, 1987]

Labor surplus area	Civil jurisdiction included
Georgia: Putnam County	Putnam County
Minnesota: Jackson County	Jackson County

[FR Doc. 87-29530 Filed 12-23-87; 8:45 am]

BILLING CODE 4510-30-M

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

[Notice (87-103)]

NASA Advisory Council (NAC), Space and Earth Science Advisory Committee (SESAC); Meeting

AGENCY: National Aeronautics and Space Administration.

ACTION: Notice of meeting.

SUMMARY: In accordance with the Federal Advisory Committee Act, Pub. L. 92-463, as amended, the National Aeronautics and Space Administration announces a forthcoming meeting of the NASA Advisory Council, Space and Earth Science Advisory Committee, Informal Working Group.

DATE AND TIME: January 14, 1988, 1 p.m.-5 p.m., January 15, 1988, 8:30 a.m.-12 Noon.

ADDRESS: Engineering Center, Room AE-136, Boulder Campus, University of Colorado, Boulder, Colorado 80391.

FOR FURTHER INFORMATION CONTACT: Mr. Joseph Alexander, Code E, National Aeronautics and Space Administration, Washington, DC 20546 (202/453-1656).

SUPPLEMENTARY INFORMATION: The Space and Earth Science Advisory Committee's Working Group will meet to discuss the Office of Space Science and Applications (OSSA) strategic planning status and to plan in detail the February 1988 meeting agenda and future committee activities. The group is

chaired by Dr. Louis Lanzerotti and is composed of 5 members. The meeting will be open to the public up to the capacity of the room (approximately 15 people including members of the committee).

Type of Meeting: Open.

Agenda:

Thursday, January 14, 1988.

1 p.m.–Discussion of Office of Space Science and Applications Strategic Planning Status.

5 p.m.–Adjourn.

Friday, January 15, 1988.

8:30 a.m.–Planning of the Agenda for February 17–19, 1988 Meeting.

10:30 a.m.–Discussion of SESAC Plans for 1988.

12 Noon–Adjourn.

Ann Bradley,

Advisory Committee Management Officer, National Aeronautics and Space Administration.

December 17, 1987.

[FR Doc. 87–29502 Filed 12–23–87; 8:45 am]

BILLING CODE 7510–01–M

NATIONAL ARCHIVES AND RECORDS ADMINISTRATION

Renewal of Advisory Committee on Preservation

This notice is published in accordance with the provisions of section 9(a)(2) of the Federal Advisory Committee Act (Pub. L. 92–463) and advises of the renewal of the Advisory Committee on Preservation for a two-year period, until December 3, 1989.

The Archivist of the United States has determined that the renewal of this advisory committee is in the public interest so that the National Archives has up-to-date information on preservation technologies to ensure the preservation of permanently valuable records accessioned into the National Archives.

Dated: December 16, 1987.

Claudine J. Weiher,

Acting Archivist of the United States.

[FR Doc. 87–29457 Filed 12–23–87; 8:45 am]

BILLING CODE 7515–01–M

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

National Endowment for the Humanities; Panel Meetings

AGENCY: National Endowment for the Humanities; NFAH.

ACTION: Notice of meetings.

SUMMARY: Pursuant to the provisions of the Advisory Committee Act (Pub. L. 92–463, as amended), notice is hereby given that the following meetings of the Humanities Panel will be held at the Old Post Office, 1100 Pennsylvania Avenue NW., Washington, DC 20506:

FOR FURTHER INFORMATION CONTACT: Stephen J. McCleary, Advisory Committee Management Officer, National Endowment for the Humanities, Washington, DC 20506; telephone 202/786–0322.

SUPPLEMENTARY INFORMATION: The proposed meetings are for the purpose of panel review, discussion, evaluation and recommendation on applications for financial assistance under the National Foundation on the Arts and the Humanities Act of 1965, as amended, including discussion of information given in confidence to the agency by grant applicants. Because the proposed meetings will consider information that is likely to disclose: (1) Trade secrets and commercial or financial information obtained from a person and privileged or confidential; (2) information of a personal nature the disclosure of which would constitute a clearly unwarranted invasion of personal privacy; or (3) information the disclosure of which would significantly frustrate implementation of proposed agency action, pursuant to authority granted me by the Chairman's Delegation of Authority to Close Advisory Committee Meetings, dated January 15, 1978, I have determined that these meetings will be closed to the public pursuant to subsections (c)(4), (6) and (9) (B) of section 552b of Title 5, United States Code.

1. *Date:* January 11, 1988
Time: 8:30 a.m. to 5:00 p.m.
Room: 430
Program: This meeting will review applications for History Centers, submitted to the Division of Education Programs, for projects beginning after April 1, 1988.

2. *Date:* January 14–15, 1988
Time: 8:30 a.m. to 5:00 p.m.
Room: 415
Program: This meeting will review applications submitted for Museums and Historical Organizations, to the Division of General Programs, for projects beginning after July 1, 1988.

3. *Date:* January 21–22, 1988
Time: 8:00 a.m. to 5:00 p.m.
Room: 415
Program: This meeting will review applications submitted for Museums and Historical Organizations to the Division of General Programs, for projects beginning after July 1, 1988.

4. *Date:* January 28, 1988
Time: 8:30 a.m. to 5:00 p.m.
Room: 315
Program: This meeting will review applications for Interpretive Research/Projects for Literature, Film, and Philosophy, submitted to the Division of Research Programs, for projects beginning after July 1, 1988.

5. *Date:* January 28–29, 1988
Time: 8:00 a.m. to 5:00 p.m.
Room: 315
Program: This meeting will review applications submitted for Museums and Historical Organizations to the Division of General Programs, for projects beginning after July 1, 1988.

Stephen J. McCleary,

Advisory Committee, Management Officer.

[FR Doc. 87–29540 Filed 12–23–87; 8:45 am]

BILLING CODE 7536–01–M

Media Arts Advisory Panel; Meeting

Pursuant to section 10(a)(2) of the Federal Advisory Committee Act (Pub. L. 92–463), as amended, notice is hereby given that a meeting of the Media Arts Advisory Panel (American Film Institute Section) to the National Council on the Arts, will be held on January 5, 1988, from 9:00 a.m.–5:30 p.m. in room 716 of the Nancy Hanks Center, 1100 Pennsylvania Avenue NW., Washington, DC 20506.

This meeting is for the purpose of Panel review, discussion, evaluation, and recommendation on applications for financial assistance under the National Foundation on the Arts and the Humanities Act of 1965, as amended, including discussion of information given in confidence to the Agency by grant applicants. In accordance with the determination of the Chairman published in the **Federal Register** of February 13, 1980, these sessions will be closed to the public pursuant to subsections (c)(4), (6) and (9)(B) of section 552b of Title 5, United States Code.

Further information with reference to this meeting can be obtained from Ms. Yvonne M. Sabine, Advisory Committee Management Officer, National Endowment for the Arts, Washington, DC 20506, or call (202) 682–5433.

Yvonne M. Sabine,

Acting Director, Council and Panel Operations, National Endowment for the Arts.

December 17, 1987.

[FR Doc. 87–29458 Filed 12–23–87; 8:45 am]

BILLING CODE 7537–01–M

Media Arts Advisory Panel; Meeting

Pusuant to section 10(a)(2) of the Federal Advisory Committee Act (Pub.

L. 92–463), as amended, notice is hereby given that a meeting of the Media Arts Advisory Panel (Film/Video Production Prescreening #1) to the National Council on the Arts, will be held on January 12–14, 1988, from 9:00 a.m.–5:30 p.m. in room 716 of the Nancy Hanks Center, 1100 Pennsylvania Avenue, NW., Washington, DC 20506.

This meeting is for the purpose of Panel review, discussion, evaluation, and recommendation on applications for financial assistance under the National Foundation of the Arts and the Humanities Act of 1965, as amended, including discussion of information given in confidence to the Agency by grant applicants. In accordance with the determination of the Chairman published in the **Federal Register** of February 13, 1980, these sessions will be closed to the public pursuant to subsections (c)(4), (6) and (9)(B) of section 552b of Title 5, United States Code.

Further information with reference to this meeting can be obtained from Ms. Yvonne M. Sabine, Advisory Committee Management Officer, National Endowment fo the Arts, Washington, DC 20506, or call (202) 682–5433.

Yvonne M. Sabine,

Acting Director, Council and Panel Operations, National Endowment for the Arts.

December 18, 1987.

[FR Doc. 87–29459 Filed 12–23–87; 8:45 am]

BILLING CODE 7537–01–M

SCIENCE AND TECHNOLOGY POLICY OFFICE

White House Science Council (WHSC); Meeting

The White House Science Council, the purpose of which is to advise the Director, Office of Science and Technology Policy (OSTP), will meet on January 7 and 8, 1988 in Room 5104, New Executive Office Building, Washington, DC. The meeting will begin at 6:00 pm on January 7, recess and reconvene at 8:00 a.m. on January 8, 1988. Following is the proposed agenda for the meeting:

(1) Briefing of the council, by the Assistant Directors of OSTP, on the current activities of OSTP.

(2) Briefing of the Council by OSTP personnel and personnel of other agencies on proposed, ongoing, and completed panel studies.

(3) Discussion of composition of panels to conduct studies.

The January 7 session and a portion of the January 8 session will be closed to the public.

The briefing on some of the current activities of OSTP necessarily will involve discussion of material that is formally classified in the interest of national defence or for foreign policy reasons. This is also true for a portion of the briefing on panel studies. As well, a portion of both of these briefings will require discussion of internal personnel procedures of the Executive Office of the President and information which, if prematurely disclosed, would significantly frustrate the implementation of decisions made requiring agency action. These portions of the meeting will be closed to the public pursuant to 5 U.S.C. 552b.(c) (1), (2), and (9)(B).

A portion of the discussion of panel composition will necessitate the disclosure of information of a personal nature the disclosure of which would constitute a clearly unwarranted invasion of personal privacy. Accordingly, this portion of the meeting will also be closed to the public, pursuant to 5 U.S.C. 552b.(c)(6).

Because of the security in the New Executive Office Building, persons wishing to attend the open portion of the meeting should contact Barbara J. Diering, at (202) 546–7740, prior to 3:00 p.m. on January 6, 1988. Mrs. Diering is also available to provide specific information regarding time, place and agenda for the open session.

Barbara J. Diering,

Special Assistant, Office of Science and Technology Policy.

December 23, 1987.

[FR Doc. 87–29693 Filed 12–23–87; 10:49 am]

BILLING CODE 3170–01–M

SECURITIES AND EXCHANGE COMMISSION

Senior Executive Service Performance Review Board, List of Members; Schedule of Bonus Awards

AGENCY: Securities & Exchange Commission.

ACTION: Listing of Personnel Serving as Members of this Agency's Senior Executive Service Performance Review Board and Announcement of Schedule for Awarding Bonuses.

SUMMARY: Pub. L. 95–454 dated October 13, 1978 (Civil Service Reform Act of 1978) requires that Federal agencies publish notification of the appointment of individuals who serve as members of that agency's Performance Review Board (PRB). This notice announces the PRB membership and the schedule for awarding SES bonuses in the Commission. The Securities and Exchange Commission has established a Performance Review Board consisting of:

1. George Kundahl, Executive Director, PRB Chairman
2. Daniel Goelzer, General Counsel
3. Linda Fienberg, Executive Assistant to the Chairman

The Securities and Exchange Commission plans to award bonuses to Senior Executive Service members on or about January 15, 1988.

FOR FURTHER INFORMATION CONTACT: Mr. James McConnell, Office of the Executive Director, Securities and Exchange Commission, 450 Fifth Street, NW., Washington, DC 20549 (202) 272–2700.

Jonathan G. Katz,

Secretary.

December 18, 1987.

[FR Doc. 87–29489 Filed 12–23–87; 8:45 am]

BILLING CODE 8010–01–M

[Release No. 35–24532]

Filings Under Public Utility Holding Company Act of 1935 ("Act")

December 17, 1987.

Notice is hereby given that the following filing(s) has/have been made with the Commission pursuant to provisions of the Act and rules promulgated thereunder. All interested persons are referred to the application(s) and/or declaration(s) for complete statements of the proposed transaction(s) summarized below. The application(s) and/or declaration(s) and any amendment(s) thereto is/are available for public inspection through the Commission's Office of Public Reference.

Interested persons wishing to comment or request a hearing on the application(s) and/or declaration(s) should submit their views in writing by January 11, 1987 to the Secretary, Securities and Exchange Commission, Washington, DC 20549, and serve a copy on the relevant applicants and/or declarant(s) at the address specified below. Proof of service (by affidavit or, in case of an attorney at law, by certificate) should be filed with the request. Any request for hearing shall identify specifically the issues of fact or law that are disputed. A person who so requests will be notified of any hearing, if ordered, and will receive a copy of any notice or order issued in the matter. After said date, the application(s) and/or declaration(s), as filed or as amended, may be granted and/or permitted to become effective.

Jersey Central Power and Light Company (70-7134)

Jersey Central Power and Light Company ("JCP&L"), Madison Avenue at Punch Bowl Road, Morristown, New Jersey, a subsidiary of General Public Utilities Corporation, a registered holding company, has filed a post-effective amendment to its application pursuant to sections 9(a) and 10 of the Act.

By prior Commission order, JCP&L entered into a renewable six-month nuclear fuel lease agreement ("Lease") with PruLease, Inc. ("Lessor"), an affiliate of The Prudential Insurance Company of America ("HCAR No. 23841, September 24, 1985). Under the terms of the Lease, the Lessor would acquire from and simultaneously lease to JCP&L certain nuclear fuel, fuel assemblies and component parts ("Nuclear Material") for use in its Oyster Creek nuclear generating station ("Oyster Creek"). The Lessor would also make payments relating to milling, conversion, enrichment and fabrication services, pursuant to contracts for such services assigned to the Lessor by JCP&L, and other costs generally associated with the Nuclear Material. The Lease currently provides that the Lessor's unrecovered acquisition costs for Nuclear Material and payments for such related services and other costs ("Acquisition Costs"), may not exceed, in the aggregate, $60 million outstanding at any one time.

By subsequent order, JCP&L was authorized to increase the amount of nuclear material which it may sell and lease back from PruLease and the amount of other Acquisition Costs under the Lease to $100 million, which may be outstanding under the Lease at any one time, and to reduce the lease rate payable by JCP&L with respect to any Acquisitioin Costs in addition to those outstanding as of the date the Lease is amended to 1.5% (from 2%) above Prudential Funding Corporation's 30-day commercial paper rate (HCAR No. 24293, January 7, 1987). JCP&L now proposes to increase that amount to $125 million. In all other respects, the transactions as heretofore authorized by the Commission would remain in effect.

Columbus Southern Power Company (70-7453)

Columbus Southern Power Company (formerly, Columbus and Southern Ohio Electric Power Company) ("CSPCo"), 215 North Front Street, Columbus, Ohio 43215, a subsidiary of American Electric Company, Inc., a registered holding company, has filed a post-effective amendment to its declaration, pursuant to sections 6(a), and 7 and 12(c) of the Act and Rules 42, 50 and 50(a)(5) thereunder.

By prior Commission order, CSPCo was authorized to issue and sell in one or more issues from time to time through December 31, 1988, up to $260 million aggregate principal amount of its first mortgage bonds ("Bonds"), in one or more new series. As an alternative to the issuance of an equal principal amount of the Bonds, CSPCo was also authorized to issue and sell one or more new series of its Cumulative Preferred Shares, par value $25 and/or $100 per share, with an aggregate par value of up to $80 million. Additionally, as an alternative to the issuance of the Bonds, CSPCo was authorized to issue from time to time up to $260 million principal amount of unsecured promissory notes with maturity not less than two years nor more than ten years ("Notes") to one or more commercial banks or other financial institutions pursuant to a proposed term loan agreement ("Agreement") (HCAR No. 24511, December 2, 1987).

It is now proposed that as additional credit enhancement for one or more series of the Bonds, CSPCo may arrange for the payment of the principal and interest of such Bonds to be guaranteed by a bond issue insurance policy or surety bond to be issued by an insurance company or consortium of insurance companies. The cost of such policy to CSPCo would be no more than 3/10 of 1% of the outstanding principal amount of the Bonds, payable annually in advance. Also, the Agreement will be amended to provide that the Notes bear interest either at a fixed rate per annum until maturity ("Fixed Rate Loan") or at a fixed rate per annum for a portion of the term of the loan and thereafter until maturity at a fluctuating rate ("Fix/Fluctuating Rate Loan"). The Agreement and Notes thereunder would be for a term of not less than two nor more than twelve years from the date of borrowing. If the term of the Notes is more than ten years, the actual interest rate which each note will bear will be determined at the time of the sale or sales by competitive bidding. If the term of the Notes is ten years or less, the actual rate of interest, and the maturity thereof, shall be subject to further negotiations between CSPCo and the lender; provided that (a) the fixed rate of interest of the Notes will not be greater than 250 basis points above the yield at the time of issuance of the Notes to maturity of United States Treasury obligations that in the case of a Fixed Rate Loan mature on or about the date of maturity of the Notes, or that in the case of a Fixed/Fluctuating Rate Loan, mature on or about the date that such loan changes from a fixed to a fluctuating rate ("Conversion Date"), and (b) the fluctuating rate, if any, will not be greater than 200 basis points above the rate of interest announced publicly by the lending bank from time to time as its base or prime rate. If a loan is a Fixed/Fluctuating Rate Loan, the prepayment fee will be payable only in the event that the Note is paid prior to the Conversion Date and will be based only upon quarterly interest payments to the Conversion Date.

For the Commission, by the Division of Investment Management, pursuant to delegated authority.

Jonathan G. Katz,

Secretary.

[FR Doc. 87-29488 Filed 12-23-87; 8:45 am]

BILLING CODE 8010-01-M

[Rel. No. IC-16179; 812-6684]

Application for Exemption; Variable Account A of Monarch Life Insurance Co.

December 17, 1987.

AGENCY: Securities and Exchange Commission ("SEC").

ACTION: Notice of Application for Exemption Under the Investment Company Act of 1940 (the "1940 Act").

Applicants: Variable Account A of Monarch Life Insurance Company ("VAriable Account A"), Monarch Life Insurance Company ("Monarch") and Monarch Resources, Inc.

Relevant 1940 Act Sections: Exemption requested under section 6(c) from sections 2(a)(32), 2(a)(35), 22(c), 26(a)(2), 27(a)(1), 27(a)(3), 27(c)(1), 27(c)(2), 27(d), 27(f) and 27(h)(3) of the 1940 Act and Rules 6e-2 and 22c-1 thereunder.

Summary of Application: Applicants seek an order to permit, in connection with the issuance of scheduled premium variable life insurance policies (the "Policies") and substantially similar policies issued through Variable Account A and other Monarch separate investment accounts (the "Variable Accounts") those policies to include certain features, such as: (1) The right of the insured to pay unscheduled premiums under the Policies; (2) the deduction of a sales load chargeable to first year scheduled premiums and unscheduled premiums in the nature of a "deferred sales load," and the deduction of a premium tax charge for unscheduled premiums in the nature of a deferred charge; and (3) the deduction

from the Investment Base of the Policies and substantially similar policies for cost of insurance ("Mortality Cost") and the deduction from the assets of the Variable Accounts for the guaranteed benefits risk charge.

Filing Date: The application was filed on April 13, 1987 and amended on September 11, 1987 and November 11, 1987.

Hearing or Notification of Hearing: If no hearing is ordered the application will be granted. Any interested person may request a hearing on the application or ask to be notified if a hearing is ordered. Any requests must be received by the SEC by 5:30 p.m. on January 11, 1988. A request for a hearing should be in writing and should state the nature of the requesting party's interest, the reason for the request, and the issues the requesting party contests. The requesting party should serve Applicants with the request, either personally or by mail, and also send a copy to the Secretary of the SEC, along with proof of service by affidavit or, in the case of an attorney-at-law, by certificate. A request for notification of the date of a hearing should be in writing addressed to the Secretary of the SEC.

ADDRESSES: Secretary, Securities and Exchange Commission 450 5th Street, NW., Washington, DC 20549. Variable Account A of Monarch Life Insurance Company and Monarch Life Insurance Company, One Monarch Place, Springfield, Massachusetts 01133. Monarch Resources, Inc., 780 Third Avenue, New York New York, 10017.

FOR FURTHER INFORMATION CONTACT: Jeffrey M. Ulness, Attorney, at (202) 272–2026, or Lewis B. Reich, Special Council, at (202) 272–2061, (Division Investment Management).

SUPPLEMENTARY INFORMATION: Following is a summary of the application; the complete application is available for a fee from either the SEC's Public Reference Office in person or the SEC's commercial copier at (800) 231–3282 (in Maryland at (301) 253–4300).

Applicants' Representations:

1. Monarch is a stock life insurance company organized under the laws of the Commonwealth of Massachusetts, with its principal office located in Springfield, Massachusetts. Monarch is a wholly-owned subsidiary of Monarch Capital Corporation, a Delaware corporation organized in 1968 as a holding company. Monarch is authorized to do business in the District of Columbia, Puerto Rico and all states.

2. Variable Account A was established on March 31, 1980, as a separate investment account under the laws of Massachusetts and registered with the SEC as a unit investment trust to provide the basic funding to support the benefits under certain variable life insurance policies, including the Policies. In the future, policies substantially similar to the Policies (as described more fully in the Application) may be funded through Variable Account A or other Variable Accounts of Monarch. Unless otherwise indicated, the following representations and statements describe both Variable Account A and the other Variable Accounts that Manarch may use to fund policies substantially similar to the Policies.

3. Each Variable Account will consist of one or more investment divisions, each of which will invest in securities or, if organized as a unit investment trust, in shares or units issued by registered investment companies. Variable Account A's current divisions will invest in nine portfolios of Merrill Lynch Series Fund, Inc., and in designated trusts in The Merrill Lynch Fund of Stripped ("Zero") U.S. Treasury Securities, Series A, B, C and D (the "Merrill Trusts").

4. The Policies will be issued in two forms: one covering a single insured and the other covering two insured. Under the latter form, the death benefit will be paid only upon the death of the last surviving insured. Three plans are available under the Policies: Plan A, which offers both a level face amount and the choice of a scheduled premium payment period; Plan B, which offers a level face amount (but whose Variable Insurance Amount is calculated differently than under Plan A or Plan C); and Plan C, which offers a face amount that decreases at a later point in time.

5. Each Policy will provide for a death benefit equal to the larger of the Policy's face amount and the "Variable Insurance Amount" at the time of the insured's (or last surviving insured's) death. The Variable Insurance Amount for Policies issued under Plans A and C will be determined by multiplying a Policy's cash surrender value by the applicable net single premium factor. The Variable Insurance Amount for Policies issued under Plan B will be determined in the same manner as under Plans A and C during the first policy year, but thereafter will equal the sum of a Policy's face amount plus the applicable net single premium factor multiplied by the excess, if any, of the cash surrender value over the fixed base (which is calculated in the same manner as the cash surrender value except that the calculation is based on the guaranteed maximum cost of insurance rates and an assumed interest rate of 4% and assumes that all scheduled premiums have been duly paid but that no unscheduled premiums have been paid or any policy loans made).

6. The Policies also permit the payment of unscheduled premiums, subject to certain conditions, with or apart from scheduled premium payments. If the Policy owner stops paying scheduled premiums, the owner may or, if the owner makes no election, Monarch will continue the Policy under a variable non-forfeiture option. The variable non-forfeiture option available if the insured is in a standard or better underwriting class is variable extended term insurance ("ETI") (a fixed ETI option is also available), and the variable non-forfeiture option available if the insured is not in a standard or better underwriting class is variable reduced paid-up insurance. Under the variable non-forfeiture options, the Policy's Investment Base (which is the amount available under the Policy for investment in the Variable Account funding the Policy) remains in the Variable Account, and the owner may borrow against the Policy. Under the variable ETI option, the owner may also pay unscheduled premiums.

7. Applicants request an exemption from Rule 6e–2(c)(1) under the 1940 Act to the extent necessary to treat the Policies and substantially similar policies funded by the Variable Accounts as "variable life insurance contracts" within the meaning of Rule 6e–2(c)(1).

8. Applicants represent that the reduction in face amount for Policies issued under Plan C is designed to permit Policy owners to purchase as given face amount during early policy years for lower scheduled premiums than they would pay for the same face amount under Plan A or Plan B. During later policy years, afer the face amount of a Policy issued under Plan C has been decreased, the Policy's cash surrender value is likely to be significant due to cumulative investment experience and premium payments, and it is likely that the Policy's Variable Insurance Amount would provide a substantial death benefit. Applicants submit that the reduction in face amount in later policy years does not affect the variable nature of a Policy issued under Plan C, such as its Variable Insurance Amount, Investment Base or cash surrender value, and therefore should not be viewed as a feature disqualifying a Policy issued under Plan C as a variable life insurance contract under Rule 6e–2(c)(1).

9. Applicants submit that permitting unscheduled premium payments under

the Policies merely provides an additional benefit to Policy owners and does not affect the fundamental nature of the Policies as scheduled premium variable life insurance contracts, and therefore, should not be viewed as a feature disqualifying the Policies as variable life insurance contracts under Rule 6e–2(c)(1).

10. Applicants submit that the variable ETI option and variable reduced paid-up insurance option provide an additional benefit to a Policy owner by making it possible for the owner to continue insurance protection and participation in the Variable Account even though the owner no longer desires, or may not be able, to pay scheduled premiums. Applicants assert that the availability of these variable non-forfeiture options does not affect the character of the Policy before the option takes effect and therefore should not be viewed as a feature disqualifying the Policies as variable life insurance contracts under Rule 6e–2(c)(1).

11. The Policies povide for deducations for sales loads and premium tax charges. An 8.5% charge (10.0% for a Policy covering joint insured), consisting of a 6.0% sales load (7.5% sales load for a Policy covering joint insured) and a 2.5% premium tax charge, is deducted from each scheduled premium paid under a Policy before allocation to the Policy's Investment Base. In addition, a deferred sales load of 24.0% (22.5% for a Policy covering joint insured) of each first year scheduled premium paid under a Policy is deducted from the Policy's Investment Base in equal installments of 2.4% (2.25% for a Policy covering joint insured) on each of the first through tenth policy anniversaries. No front-end sales load or permium tax charge is deducted from an unscheduled premium paid under a Policy before allocation to the Policy's Investment Base. Instead, a deferred charge of 7.0% (9.0% for a Policy covering joint insured) of each unscheduled premium payment, consisting of a 4.5% sales load (6.5% sales load for a Policy covering joint insured) and a 2.5% premium tax charge, is deducted from the Policy's Investment Base in ten equal installments of .70% (.9% for a Policy covering joint insured) on each of the ten policy anniversaries on or following receipt and acceptance of that payment.

12. A Policy's Investment Base includes the deferred sales loads and any deferred premium tax charges (the "deferred policy loading"). However, the cash surrender value of a Policy reflects a deduction from the Policy's Investment Base for the balance of any deferred policy loading not yet deducted. Upon surrender of a Policy, the balance of the deferred policy loading not previously deducted is subtracted in determining the net cash surrender value, which is the amount payable to the Policy owner, and is equal to the cash surrender value less any policy debt.

13. Applicants request an exemption from section 2(a)(35) of the 1940 Act and Rule 6e–2(b)(1) and 6e–2(c)(4) thereunder to the extent necessary for the term "sales load," as used in the 1940 Act and rules thereunder, to be deemed to include the deferred sales loads chargeable to first year scheduled premiums and any unscheduled premuims paid under the Policies and any substantially similar policies.

14. Applicants submit that the mere fact that the timing of deductions for deferred sales loads under the Policies may not fall within the literal pattern of section 2(a)(35) and Rule 6e-2(c)(4) does not change their essential nature as charges designed to defray sales expenses.

15. Applicants request an exemption from sections 27(a)(3) and 27(h)(3) of the 1940 Act and Rule 6e-2(b)(13)(ii) thereunder, to the extent necessary, to permit the deduction of a deferred sales load chargeable to unscheduled premium payments under the Policies (under which the deferred sales load so chargeable is 4.5% (6.5% for a Policy covering joint insured) of each unscheduled premium payment) and any substantially similar policies, even though sales loads so chargeable to subsequently paid scheduled premiums might result in a technical violation of such provisions.

16. Applicants submit that the mere fact that the sales load chargeable to an unscheduled premium payment is deferred, whereas the sales load for a subsequently paid scheduled premium is deducted up-front, is not inconsistent with the policies underlying Rule 6e-2(b)(13)(ii) because a Policy owner will ultimately pay the same amount of sales load for unscheduled premium payments that is ducted up-front from scheduled premium payments. Also, Applicants state that every Policy owner benefits from the fact that the full amount of the unscheduled premium payment is invested from the time the payment is accepted.

17. With respect to situations where the ability to pay unscheduled premiums between scheduled premiums results in a higher deferred or total sales load deducted from subsequent premiums than prior premiums, Applicants assert that every Policy owner benefits from the fact that a deferred sales load in amounts set forth above are assessed for unscheduled premiums. Moreover, Applicants represent that an unscheduled premium payment functions differently from scheduled premium payments. Whereas the payment of scheduled premiums ensures guaranteed policy benefits, the payment of unscheduled premiums does not affect the policy guarantees unless paid after the scheduled premium payment period (assuming all scheduled premiums have been duly paid) or unless paid after the Policy is applied to the variable ETI option. Unscheduled premium payments, however, affect the investment element of the Policy.

18. Applicants, request an exemption from sections 26(a)(2) and 27(a)(2) of the 1940 Act and Rule 6e-2(b)(13)(iii) and 6e-2(c)(4) thereunder, to the extent necessary, to permit the deduction from the Investment Base of the premium tax charge for an unscheduled premium payment in ten equal installments on the ten policy anniversaries on or following receipt and acceptance of that payment under the Policies and any substantially similar policies.

19. Applicants submit that the imposition of the premium tax charge in this deferred form is more advantageous to Policy owners than having the full amount deducted up-front. Applicants assert that this charge is cost-based, and that no additional or contingent charge will be due for the balance should the death benefit become payable before the premium tax charge has been fully deducted.

20. Applicants request an exemption from section 27(a)(1) of the 1940 Act and Rule 6e–2(b)(1), 6e–2(b)(13) and 6e–2(c)(4) thereunder, on the same terms specified in Rule 6e–2(b)(13)(i) and 6e–2(c)(4), except that life expectancy and the cost of insurance deduction for the Policies and any substantially similar policies will be based upon rates derived from the 1980 Commissioners' Standard Ordinary Male and Female ("1980 CSO Tables") rather than the 1958 Commissioners Ordinary Mortality Table ("1958 CSO Table").

21. Applicants represent that the 1980 CSO Tables were adopted subsequent to the adoption of Rule 6e–2 and reflect more recent information and data about mortality. In general, insurance charges based on the 1980 CSO Tables are lower than those based on the 1958 CSO Table.

22. Applicants represent that Monarch uses the 1980 CSO Tables in esablishing premium rates and determining reserve liabilities for the Policies. Accordingly, Applicants submit that it is appropriate

that, in determining what is deemed to be sales load under the Policies, the deduction for the cost of insurance should be based on the 1980 CSO Tables, rather than the 1958 CSO Table.

23. Applicants request an exemption from sections 2(a)(32) and 27(c)(1) of the 1940 Act and Rule 6e–2(b)(12) and 6e–2(b)(13)(iv) thereunder to the extent necessary to permit the net cash surrender value to reflect a deduction of the balance of the deferred policy loading upon surrender of the Policies or any substantially similar policies.

24. Applicants assert that deducting the balance of deferred policy loading in determining the amount payable to a Policy owner upon surrender of the Policy does not restrict the Policy owner from receiving on redemption his or her "proportionate share," for purposes of section 2(a)(32), of the value of the Variable Account funding the Policy. Applicants represent that the deferred policy loading deducted at the time of surrender consists of sales loads and premium tax charges that were chargeable to premiums when paid but were intended to be deducted over period of time rather than up-front from those premiums. Applicants submit that their method of deferring the deduction of those charges results in a larger net amount for initial investment in the Variable Account, thus providing a benefit to Policy owners.

25. Applicants request an exemption from section 22(c) of the 1940 Act and Rules 6e–2(b)(12) and 22c–1 thereunder, to the extent necessary, to permit the deduction upon surrender of the balance of deferred policy loading under the Policies and substantially similar policies.

26. Applicants assert that their procedure of deducting the balance of deferred policy loading in determining the net cash surrender value payable to a Policy owner is not inconsistent with the policy and purposes of Rule 22c–1. Applicants contend that their procedure for determining the net cash surrender value under a Policy on a basis next computed after receipt of the Policy and written surrender request would not have the dilutive effect or encourage the speculative trading that Rule 22c–1 is designed to prevent.

27. Applicants request an exemption from sections 26(a)(2)(C), 27(c)(2), 27(d) and 27(f) of the 1940 Act, to the extent necessary, to permit the deduction upon surrender of the deferred policy loading under the Policies and substantially similar policies.

28. Applicants submit that, while the deduction upon surrender of deferred charges is not expressly contemplated by these Sections, it is not inconsistent with the policy and purposes of these sections.

29. Applicants represent that, in addition to the deferred policy loading, certain other charges and expenses will be deducted periodically under the Policies. These charges include: the Mortality Cost and quarterly administrative fee deducted from a Policy's Investment Base quarterly on each policy processing date; the first year administrative fee deducted quarterly from a Policy's Investment Base on the first four policy processing dates; the mortality and expense risk charge and guaranteed benefits risk charge deducted from the assets of the Variable Account funding a Policy (which charge is deducted from the daily investment results of each division in the Variable Accounts in determining its net rate of return); and the trust charge deducted from the assets of the investment divisions of Variable Account A investing in the Merrill Trusts (which charge is deducted from the daily investment results of those divisions in determining their respective net rates of return).

30. Applicants request an exemption from sections 26(a) and 27(c)(2) of the 1940 Act and Rule 6e–2(b)(13)(iii) thereunder, to the extent necessary, to permit the deduction from the Investment Base of the Policies or substantially similar policies of the Mortality Cost quarterly in arrears.

31. Applicants assert that, by determining and deducting the Mortality Cost quarterly in arrears from the Investment Base, the Policy owner avoids having a large charge deducted as a front-end load from each premium payment. Applicants state that the continual periodic deductions of the Mortality Cost benefits the Policy owner because it increases the initial amount available for investment by the Policy owner.

32. Applicants request an exemption from section 26(a)(2) and 27(c)(2) of the 1940 Act and Rule 6e–2(b)(13)(iii) thereunder, to the extent necessary, to permit the deduction of the guaranteed benefits risk charge under the Policies and substantially similar policies. This charge is currently deducted at an annual rate of 0.15% (The policies provide that this charge may be increased, but the sum of the charges for mortality and expense risks and guaranteed benefits risk charge may not exceed an annual rate of 0.90%. Applicants represent they will not increase the amount of the guaranteed benefits risk charge above 0.15% or the mortality and expense risk charge above an annual rate of 0.60% without first obtaining any necessary exemptive relief.)

33. Applicants represent that the guaranteed benefits risk charge is reasonable in relation to the risk assumed. Applicants have reviewed the level of the guaranteed benefits risk charge under comparable scheduled premium variable life insurance contracts currently being offered, and represent that the charge under the Policies is within the range of industry practice for comparable contracts.

34. Applicants represent that they believe that the sales load being imposed under the Policies may not cover the costs assocaited with them. Monarch has concluded that there is a reasonable likelihood that the distribution financing arrangement being used in connection with the Policies will benefit the Variable Accounts and Policy owners.

For the Commission by the Division of Investment Management, pursuant to delegated authority.

Jonathan G. Katz,

Secretary.

[FR Doc. 87–29487 Filed 12–23–87; 8:45 am]

BILLING CODE 8010–01–M

SMALL BUSINESS ADMINISTRATION

[License No. 06/06–0219]

Filing of Application for Transfer of Ownership and Control; Allied Bancshares Capital Corp.

Notice is hereby given that an application has been filed with the Small Business Administration (SBA), pursuant to § 107.601 of the Regulations governing small business investment companies (13 CFR 107.601 (1987)) for a transfer of ownership and control of Allied Bancshares Capital Corporation (ABCC), 1000 Louisiana Street, Houston, Texas 77002, a Federal Licensee under the Small Business Investment Act of 1958 (the Act), as amended (15 U.S.C. 661 *et seq.*). The proposed transfer of ownership and control of ABCC, which was licensed November 1, 1979, is subject to the prior written approval of SBA.

The transfer of ownership and control relates to a proposed merger of Allied Bancshares, Inc. (the 100 percent owner of ABCC) with and into First Interstate Bancorp of Texas, Inc., eventual wholly-owned subsidiary of First Interstate Bancorp, 707 Wilshire Boulevard, Los Angeles, California 90017. Assuming consummation of the proposed transfer of control, management and 100 percent shareholder of ABCC will be:

Name and Address	Position
D. Kent Anderson, 12 E. Rivercrest Drive, Houston, Texas 77042.	Chairman of the Board.
Richard S. Smith, 2233 Troon Road, Houston, Texas 77019.	Vice Chairman.
Hollis L. Walters, 16410 Northmist, Houston, Texas 77073.	Vice President, Secretary.
Robert B. Goldstein, 357 North Post Oak Lane, #106, Houston, Texas 77024.	Treasurer.
Steven R. Felten, 3000 Greenridge, #1636, Houston, Texas 77057.	Assistant Treasurer.
Dillard Leverkuhn, 2255 Braeswood Park, #288, Houston, Texas 77030.	Assistant Secretary.
Jay C. Crager, Jr., 1400 Hermann, #17E, Houston, Texas 77004.	Director.
J.T. Trotter, 2148 Troon Road, Houston, Texas 77019.	Director.
First Interstate Bancorp, 707 Wilshire Boulevard, Los Angeles, California 90017.	Shareholder.

Matters involved in SBA's consideration of the application include the general business reputation and character of the proposed owners and management, and the probability of successful operations of the applicant under their management including profitability and financial soundness, in accordance with the Act and Regulations. Notice is hereby given that any person may, no later than 30 days from the date of publication of this Notice, submit written comments on the proposed transfer of control to the Deputy Associate Administrator for Investment, Small Business Administration, 1441 L Street NW., Washington, DC 20416.

A copy of the Notice will be published in newspapers of general circulation in Houston, Texas and Los Angeles, California.

(Catalog of Federal Domestic Assistance Program No. 59.011, Small Business Investment Companies)

Robert G. Lineberry,

Deputy Associate Administrator for Investment.

Dated: December 18, 1987.

[FR Doc. 87-29508 Filed 12-23-87 8:45 am]

BILLING CODE 8025-01-M

Region IX Advisory Council; Public Meeting

The U.S. Small Business Administration, Region IX Advisory Council, located in the geographical area of Honolulu, Hawaii, will hold a public meeting at 9:00 a.m. on Friday, January 15, 1988 at the Prince Kuhio Federal Building, 300 Ala Moana Boulevard, Conference Room 5311 (5th Floor), Honolulu, Hawaii, to discuss such matters as may be presented by members, staff of the U.S. Small Business Administration, or others present.

For further information, write or call Charles T.C. Lum, District Director, U.S. Small Business Administration, 300 Ala Moana Boulevard, Room 2213, Honolulu, Hawaii 96850, (808) 541-2990.

Jean M. Nowak,

Director, Office of Advisory Council.

December 16, 1987.

[FR Doc. 87-29506 Filed 12-23-87 8:45 am]

BILLING CODE 8025-01-M

Region II Advisory Council; Public Meeting

The U.S. Small Business Administration Region II Advisory Council, located in the geographical area of Syracuse, will hold a public meeting at 9:00 a.m., on Monday, January 11, 1988, at Giovanni's Ristorante—2062 Erie Boulevard East, Syracuse, New York 13224, to discuss matters as may be presented by members, staff of the U.S. Small Business Administration, or others present.

For further information, write or mail J. Wilson Harrison, District Director, U.S. Small Business Administration, 100 South Clinton Street, Room 1071, Syracuse, New York, (315) 423-5371.

Jean M. Nowak,

Director, Office of Advisory Councils.

December 16, 1987.

[FR Doc. 87-29507 Filed 12-23-87; 8:45 am]

BILLING CODE 8025-01-M

DEPARTMENT OF TRANSPORTATION

Office of the Secretary

Fitness Determination of Nashville Eagle, Inc. d.b.a. American Eagle

AGENCY: Department of Transportation.

ACTION: Notice of commuter air carrier fitness Determination—Order 87-12-52 order to show cause.

SUMMARY: The Department of Transportation is proposing to find that Nashville Eagle, Inc. is fit, willing, and able to provide commuter air service under section 419(c)(2) of the Federal Aviation Act.

RESPONSES: All interested persons wishing to respond to the Department of Transportation's tentative fitness determination should file their responses with the Air Carrier Fitness Division, Room 6420, Department of Transportation, 400 7th Street SW., Washington, DC 20590, and serve them on all persons listed in Attachment A to the order. Responses shall be filed no later than December 28, 1987.

FOR FURTHER INFORMATION CONTACT: Janet A. Davis, Air Carrier Fitness Division, Department of Transportation, 400 7th Street SW., Washington, DC 20590, (202) 366-9721.

Dated: December 18, 1987.

Matthew V. Scocozza,

Assistant Secretary for Policy and International Affairs.

[FR Doc. 87-29493 Filed 12-23-87; 8:45 am]

BILLING CODE 4910-62-M

Federal Highway Administration

Environmental Impact Statement; Baltimore County, MD

AGENCY: Federal Highway Administration (FHWA), DOT.

ACTION: Notice of intent.

SUMMARY: The FHWA is issuing this notice to advise the public that an environmental impact statement is being prepared for the proposed widening of U.S. Route 1 in Baltimore County, Maryland.

FOR FURTHER INFORMATION CONTACT: Mr. Edward A. Terry, Jr., Field Operations Engineer, Federal Highway Administration, The Rotunda, Suite 220, 711 W. 40th Street, Baltimore, Maryland 21211, telephone 301/962-4010, and/or Mr. Louis Ege, Jr., Deputy Director Project Development Division, Maryland State Highway Administration, 707 North Calvert Street, Room 310, Baltimore, Maryland 21202, telephone 301-333-1130.

SUPPLEMENTARY INFORMATION: The FHWA, in cooperation with the Maryland State Highway Administration, is preparing an environmental impact statement to develop an acceptable alternate to widen approximately a nine-mile portion of existing U.S. Route 1 from Silver Spring Road to Maryland Route 152.

In addition to the No-Build alternate, two Build Alternates are proposed. Under either Build Alternate, the southernmost portion of the project from Silver Spring Road to Joppa Road would consist of seven through lanes and a center lane for left turns. North of Joppa Road, the two Build Alternates would differ in that one alternate would provide four through lanes and the other six through lanes. Under either Build Alternate, the cross section would vary throughout the project, with a center turning lane being provided in areas of dense residential and commercial development, and a median barrier being provided through the sections of Gunpowder State Park and in the less intensely developed areas.

Environmental concerns of primary importance are residential and business displacements and impacts to parks and historic sites.

A public meeting to discuss the preliminary alternates has been held. A public hearing will be held after circulation of the DEIS. A public notice will give the time and place of the public hearing, and individual notices will be sent to those agencies, groups, and individuals on the mailing list. The DEIS will be available for public and agency review and comment prior to the public hearing. To ensure that the full range of issues relating to this proposal are addressed and all significant issues identified, comments and suggestion are invited from all interested parties.

(Catalog of Federal Domestic Assistance Program Number 20.025, Highway Research, Planning and Construction. The provisions of Executive Order 12372 regarding State and local review of Federal and Federally assisted programs and projects apply to this program.)

Emil Elinsky,

Division Administrator.

[FR Doc. 87-29461 Filed 12-23-87; 8:45 am]

BILLING CODE 4910-22-M

Environmental Impact Statement; New Haven County, CT

AGENCY: Federal Highway Administration (FHWA), DOT.

ACTION: Notice of intent.

SUMMARY: The FHWA is issuing this notice to advise the public that an Environmental Impact Statement will be prepared for a proposed highway project in New Haven County, Connecticut.

FOR FURTHER INFORMATION CONTACT: James J. Barakos, Division Administrator, Federal Highway Administration, Abraham A. Ribicoff Federal Building, 450 Main Street, Room 635, Hartford, Connecticut 06103, Telephone (203) 240-3705; or Edgar T. Hurle, Director, Office of Environmental Planning, Connecticut Department of Transportation, 24 Wolcott Hill Road, Wethersfield, Connecticut 06109, Telephone (203) 566-5704.

SUPPLEMENTARY INFORMATION: The FHWA, in cooperation with the State of Connecticut Department of Transportation will prepare an Environmental Impact Statement (EIS) on a proposal to undertake expressway improvements in the vicinity of the I-91/I-95 interchange. Improvements in the corridor are considered necessary to provide for the existing and projected traffic demand.

Alternatives under consideration include: (1) Taking no action; (2) widening the existing I-95 bridge over the Quinnipiac River and improving the existing I-91/I-95 interchange; (3) constructing a new I-95 crossing of New Haven Harbor; and (4) construction of a tunnel under New Haven Harbor. Incorporated into and studies with the various build alternatives will be design variations of grade and alignment.

Letters describing the proposed action and soliciting comments will be sent to appropriate Federal, State, and local agencies and to private organizations and citizens who have previously expressed interest in this proposal.

A public information meeting will be held in the South Central Planning Region in the near future. This meeting will be conducted as a part of the scoping process for this action. Public notice will be given of the time and place of the meeting. The draft EIS will be available for public and agency review and comment.

To ensure that the full range of issues related to this proposed action are addressed and all significant issues identified, comments and suggestions are invited from all interested parties. Comments or questions concerning this proposed action and the EIS should be directed to the FHWA or the Connecticut Department of Transportation at the addresses provided above.

Issued on December 18, 1987.

James J. Barakos,

Division Administrator.

[FR Doc. 87-29462 Filed 12-23-87; 8:45 am]

BILLING CODE 4910-22-M

Maritime Administration

Change of Name of Approved Trustee

Notice is hereby given that effective July 17, 1987, Seattle Trust & Savings Bank, Seattle, Washington, changed its name to Key Bank of Puget Sound.

Dated: December 21, 1987.

By Order of the Maritime Administrator.

James E. Saari,

Secretary.

[FR Doc. 87-29527 Filed 12-23-87; 8:45 am]

BILLING CODE 4910-81-M

National Highway Traffic Safety Administration

[Docket No. IP-86-09; Notice 2]

Ford Motor Company; Grant of Petition for Determination fo Inconsequential Noncompliance

This notice grants the petition by Ford Motor Company of Detroit, Michigan to be exempted from the notification and remedy requirements of the National Traffic and Motor Vehicle Safety Act (15 U.S.C. 138 *et seq.*) for an apparent noncompliance with 49 CFR 571.108, Federal Motor Vehicle Safety Standard No. 108 *Lamps, Reflective Devices and Associated Equipment.* The basis of the grant is that the noncompliance is inconsequential as it relates to motor vehicle safety.

Notice of the petition was published in the **Federal Register** on February 19, 1987 and an opportunity afforded for comment (52 FR 5235).

Ford Motor Company produced approximately 27,300, 1986 Ford Tempo and 9,000 1986 Mercury Topaz 4-door vehicles through July 21, 1986, equipped with optional deck lid luggage racks which obstruct the 5 degree down sight lines, resulting in a noncompliance with Standard No. 108. Minimum design and photometric requirements for center high mounted stop lamps are found in Figure 10 of Standard No. 108. Following the discovery of this noncompliance, Ford began production of a revised shortened stanchion luggage rack which does not prevent the center-mounted stop lamp from complying with the photometric requirements.

Based on its investigation, testing and analyses, Ford argued,

"* * * we believe that the high mount stoplamps installed on 1986 Tempo and Topaz 4-door vehicles equipped with deck lid luggage racks more than amply perform their intended function as recited by NHTSA in the preambles to rulemaking applicable to these devices. Further, we believe that the high mount stoplamps in question perform their intended function equally well as such stoplamps installed on similar vehicles not equipped with deck lid luggage rack and which comply with applicable visibility requirements. Additionally, as we would fully expect, we are aware of no complaints, accidents or injuries related to obstruction of high mount stoplamps on these vehicles by their decklid luggage racks."

Ford Motor Company believes this failure to meet the 5 degree down test visibility requirements of Standard No. 108 is inconsequential as it relates to motor vehicle safety because the stoplamps still radiate light of sufficient intensity in the required rearward directions to intercept the eyes of the drivers of the following vehicles.

The following table provides a comparative analysis of the average photometric output measurements in candela between Ford Tempo and Mercury Topaz cars manufactured without a luggage rack, equipped with a tall deck lid luggage rack, and equipped with a short deck lid luggage rack.

5 degree down test points	No luggage rack	Original tall rack	New short rack	Minimum photometric requirements of FMVSS 108
5D–10L	43.47	10.48	43.47	16.00
5L	57.02	15.00	57.02	25.00
V	63.74	17.51	63.74	25.00
5R	62.67	17.41	62.67	25.00
10R	48.37	10.96	48.37	16.00

NOTE: Above values are average from two cars tested.

Four comments were received on the petition. It was supported by General Motors Corporation, the National Automobile Dealers Association, and the Automotive Parts and Accessories Association, all of whom agreed with Ford's arguments. Robert F. Schlegel, Jr., P.E., opposed it. He believes that the photometric requirements are important for cars of lower height that stop on hilly surfaces, where down angles are more important to safety.

The agency has carefully reviewed Ford's arguments and the comments received in response to the notice. It is impressed with the corrective action taken by Ford in its design of a new luggage rack whose installation does not create a noncompliance. NHTSA notes that the highmounted lamp will continue to provide 60 to 70 percent of the minimum photometric output required by Standard No. 108, and that the other stop lamps are not obscured. Although it is estimated that almost 15,000 rear end collisons yearly involve a car on a hill crest, given the relatively small number of noncompliant vehicles and the other factors discussed above, it is unlikely that allowing the vehicles to remain uncorrected will significantly affect safety.

Accordingly, it is hereby found for good cause shown that the noncompliance herein described is inconsequential as it relates to motor vehicle safety, and the petition is granted.

(Sec. 102, Pub. L. 93–492, 88 Stat. 1470 (15 U.S.C. 1417); delegations of authority at 49 CFR 1.50 and 49 CFR 501.8)

Issued on: December 18, 1987.

Barry Felrice,

Associate Administrator for Rulemaking.

[FR Doc. 87–29492 Filed 12–23–87; 8:45 am]

BILLING CODE 4910–59–M

DEPARTMENT OF THE TREASURY

Internal Revenue Service

Commissioner's Advisory Group; Open Meeting

The first meeting of the 1988 Commissioner's Advisory Group will be held on January 13 and 14, 1988 at the IRS Philadelphia Service Center. The Service Center is located at 11601 Roosevelt Boulevard, Philadelphia, Pennsylvania. The meeting will begin at 8:00 a.m. on Wednesday, January 13 and 8:00 a.m. on Thursday, January 14. The agenda will include the following topics:

Wednesday, January 13, 1988

Discuss Commissioner Advisory Group (CAG) Process
Overview of Service Center Operations and Tour of Facility

Thursday, January 14, 1988

Commissioner's Objectives
Discuss Advisory Group Theme(s) and Agenda(s); General Question/Answer Discussion

Due to the Service Center's security requirements and limited conference space, notification of intent to attend the meeting must be made with Robert F. Hilgen, Assistant to the Senior Deputy Commissioner, no later than January 7, 1988. Mr. Hilgen may be reached on (202) 566–4143 (not toll-free).

If you would like to have the Advisory Group consider a written statement, please call or write Robert Hilgen, Assistant to the Senior Deputy Commissioner, Internal Revenue Service, 1111 Constitution Ave. NW., Room 3014, Washington, DC 20224.

FOR FURTHER INFORMATION CONTACT: Robert Hilgen, Assistant to the Senior Deputy Commissioner, (202) 566–4143 (not toll-free).

Lawrence B. Gibbs,

Commissioner.

[FR Doc. 87–29538 Filed 12–21–87; 3:59 pm]

BILLING CODE 4830–01–M

VETERANS ADMINISTRATION

Medical Care Reimbursement Rates for Fiscal Year 1988

AGENCY: Veterans Administration.

ACTION: Notice.

In accordance with provisions of OMB Circular A–11 section 13.5(a), revised reimbursement rates have been established by the Veterans Administration (VA) for inpatient and outpatient medical care furnished to beneficiaries of other Federal Agencies during Fiscal Year 1988. These rates will be charged for such medical care provided at health care facilities under the direct jurisdiction of the Administrator on and after December 1, 1987:

Medical	$396
Surgery	516
Spinal Cord Injury	436
Blind Rehabilitation	387
Neurology	327
Rehabilitation	310
General Psychiatry	194
Intermediate Medicine	155
Nursing Home Care	140
Alcohol—Drug	162
Prescription—Refill	13
Outpatient [1]	107

[1] Rate includes dialysis treatment.

Prescription refill charges in lieu of the outpatient visit rate will be charged when the patient receives no service other than the pharmacy outpatient service. These charges apply if the patient receives the prescription refills in person or by mail.

When medical services for beneficiaries of other Federal Agencies are obtained by the VA from private sources, the charges to the other Federal Agencies will be the actual amounts paid by the VA for such medical services.

Inpatient charges to other Federal Agencies will be at the current interagency per diem rate as set forth above for the type of bed section or discrete treatment unit providing the care.

Dated: December 16, 1987.

Thomas K. Turnage,

Administrator.

[FR Doc. 87-29427 Filed 12-23-87; 8:45 am]

BILLING CODE 8320-01-M

Corrections

Federal Register
Vol. 52, No. 247
Thursday, December 24, 1987

This section of the FEDERAL REGISTER contains editorial corrections of previously published Presidential, Rule, Proposed Rule, and Notice documents and volumes of the Code of Federal Regulations. These corrections are prepared by the Office of the Federal Register. Agency prepared corrections are issued as signed documents and appear in the appropriate document categories elsewhere in the issue.

DEPARTMENT OF COMMERCE

International Trade Administration

Initiation of Antidumping and Countervailing Duty Administration Reviews

Correction

In notice document 87-28776 beginning on page 47617 in the issue of Tuesday, December 15, 1987, make the following corrections:

1. On page 47617, in the third column, in the table, in the left column, in the first entry, "Chlorine" should read "Choline".

2. In the same table, in the right column, in the first entry, "11/10/87" should read "11/01/86".

BILLING CODE 1505-01-D

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

21 CFR Parts 333 and 369

[Docket No. 76N-0482]

Topical Antimicrobial Drug Products for Over-the-counter Human Use; Final Monograph for OTC First Aid Antibiotic Drug Products

Correction

In rule document 87-28422 beginning on page 47312 in the issue of Friday, December 11, 1987, make the following corrections:

1. On page 47315, in the third column, in the fourth line from the bottom, "Ref. 100" should read "Ref. 10".

2. On page 47316, in the first column, in the second complete paragraph, in the sixth line, insert "of" after "mg/kg".

3. On page 47321, in the first column, in the first complete paragraph, in the eighth line, "levels or" should read "levels of".

§ 333.120 [Corrected]

4. On page 47323, in the third column, in § 333.120(a)(11), in the first line, "hydrochloride-" was misspelled.

BILLING CODE 1505-01-D

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Office of the Assistant Secretary for Housing--Federal Housing Commissioner

24 CFR Parts 840 and 841

[Docket No. R-18-1356; FR-2385]

Supportive Housing Demonstration Program

Correction

In proposed rule document 87-24769 beginning on page 39946 in the issue of Monday, October 26, 1987, make the following corrections:

1. On page 39946, in the second column, in the last paragraph, in the last line, after "program" insert a dash.

2. On page 39949, in the first column, in the second complete paragraph, in the second line, "the" should read "that".

3. On page 39950, in the first column, in the next to last line, "DOG" should read "DOJ".

4. On page 39952, in the first column, in paragraph (a), in the 18th line, "application must be on the" should read "applicant must meet the", and in the 24th line "unment" should read "unmet".

5. On page 39953, in the third column, in the first complete paragraph, in the fifth line, "§ 841.324" should read "§ 841.325" and in the last paragraph, in the third line from the bottom, "§§ 840.440(c)(5)" should read "§§ 840.400(c)(5)".

6. On page 39955, in the third column, in the second line, "The term does not" should begin a new unindented line.

§ 840.207 [Corrected]

7. On page 39959, in the third column, in § 840.207, in paragraph (a)(2), "ranking" was misspelled and in paragraph (b)(1), after the eighth line, insert "families with children or deinstitutionalized homeless persons and other homeless".

§ 840.210 [Corrected]

8. On page 39960, in the second column, in § 840.210, in paragraph (b)(2)(iv)(B), in the second line, "fully" should read "duly".

19. On the same page, in the third column, in § 840.210, in paragraph (b)(3)(ii)(D), in the 1st line, after "include" insert "rental", and in the 22nd line, after "income" insert ",anticipated resident income must be adjusted to reflect the rental income".

§ 840.320 [Corrected]

20. On page 39963, in the second column, in § 840.320, in the second line of the introductory paragraph, "transitional" was misspelled.

§ 840.330 [Corrected]

21. On page 39964, in the third column, in § 840.330, in paragraph (d)(2)(vii), in the 13th line, "accordance" was misspelled, and in paragraph (e)(2), in the 4th line, "may obtain a personal or" should begin a new unindented line.

§ 841.5 [Corrected]

22. On page 39966, in the second column, in § 841.5, in the definition for "Handicapped or Handicapped person", in paragraph (b), in the sixth line of the column, "personal" was misspelled, and in the definition for "Homeless", in paragraph (b)(3), in the fourth line, "The term does not" should begin a new unindented line.

§ 841.225 [Corrected]

23. On page 39972, in the first column, in § 841.225, in the seventh line, "§ 841-220" should read "§ 841.220".

§ 841.330 [Corrected]

24. On page 39974, in the second column, in § 841.330, in paragraph (d)(3), in the sixth line, "carriers" should read "carries".

25. On page 39974, in the second column, in § 841.330, in paragraph (e)(2), in the fourth line, "may obtain a personal or" should begin a new unindented line.

BILLING CODE 1505-01

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LIST OF PUBLIC LAWS

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This is a continuing list of public bills from the current session of Congress which have become Federal laws. It may be used in conjunction with "P L U S" (Public Laws Update Service) on 523-6641. The text of laws is not published in the **Federal Register** but may be ordered in individual pamphlet form (referred to as "slip laws") from the Superintendent of Documents, U.S. Government Printing Office, Washington, DC 20402 (phone 202-275-3030).

H.R. 2672/Pub. L. 100-198

Veterans' Home Loan Program Improvements and Property Rehabilitation Act of 1987. (Dec. 21, 1987; 101 Stat. 1315; 11 pages) Price: $1.00

H.J. Res. 426/Pub. L. 100-199

Authorizing the hand enrollment of the budget reconciliation bill and of the full-year continuing resolution for fiscal year 1988. (Dec. 21, 1987; 101 Stat. 1326; 1 page) Price: $1.00

H.J. Res. 427/Pub. L. 100-200

To provide for the temporary extension of certain programs relating to housing and community development, and for other purposes. (Dec. 21, 1987; 101 Stat. 1327; 1 page) Price: $1.00